AECOM

Project Report

Downtown MLS Stadium Feasibility Study – Las Vegas, Nevada

Prepared for

The City of Las Vegas

FINAL DRAFT

Submitted by

AECOM Technical Services, Inc (AECOM)

September 15, 2014

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This study is qualified in its entirety by, and should be considered in light of, these limitations, conditions and considerations.

1. Introduction and Executive Summary

Introduction

AECOM was engaged to study the feasibility of a potential new Major League Soccer (MLS) stadium in downtown Las Vegas, at Symphony Park.

In the course of this assignment, we worked closely with City of Las Vegas staff and potential ownership of an MLS franchise, in order to inform our analyses. We also met with and interviewed a wide range of stakeholders, such as potential facility users, event promoters, management of existing sports and entertainment facilities in Las Vegas, and others. Our work focused on understanding and identifying the potential market for a new multipurpose downtown stadium, as well as its anticipated future operations.

The attached report includes the results of all analyses, conclusions, recommendations, and projections. The following section summarizes our report.

Executive Summary

The Local Market

- Las Vegas is the largest city in Nevada, with approximately 600,000 residents. The broader metro area, which consists of Clark County, has approximately two million residents. From 2000 through 2010, population growth was particularly strong throughout the state, including Las Vegas, but has since decreased to levels that are closer to national rates.
- Much of the local population growth has been due to the influx of Hispanic residents. While the Las Vegas metro area (which is comprised of Clark County) is the 31st-largest metro area in the US, its Hispanic population is the 16th-largest.
- The city (as well as the county and state) are relatively young, as the median age in all areas is lower than that of the US as a whole.
- The city, county, and state are also relatively affluent, as the median income in the three geographic areas is higher than that of the national median. In addition, the local cost of living is slightly lower than the US average.
- The local population in Las Vegas strongly supports sports and entertainment events; local spending for multiple types of event tickets exceeds national averages. Local residents are also more likely than average to have attended a professional basketball game in the last year (despite the fact that Las Vegas does not have a team), as well as a hockey game and soccer game.
- Approximately 40 million people visit Las Vegas per year; no US city hosts more domestic tourists. Among the leading tourism drivers to Las Vegas are conventions, gaming, and other types of entertainment. While in the city, these visitors consistently attend various types of

entertainment events, according to Las Vegas Convention and Visitors Authority data. Las Vegas also has more hotel rooms than any other US city.

- Before the recession, the local economy was particularly strong; however, since then, unemployment rates have exceeded national averages.

The Local Sports, Events, and Entertainment Market

- Las Vegas is a major destination for virtually all forms of entertainment, and as a result, the city has a significant supply of venues. However, most of these facilities are indoors and significantly smaller than the planned stadium. This includes multiple arenas (including a new arena that recently broke ground) and smaller theaters.
- Major outdoor facilities include the Las Vegas Motor Speedway, UNLV's Sam Boyd Stadium, and Cashman Field. Other venues, such as the LINQ and the Luxor Festival Grounds, can also host large-scale outdoor events. UNLV is currently studying the potential for a new 50,000- to 60,000-seat stadium that would replace Sam Boyd Stadium, although the university recently announced its plan to delay any state funding request until 2017.
- The 40,000-seat Sam Boyd Stadium is the facility that is most similar to the planned downtown soccer stadium. However, it is not well-located and has a number of other deficiencies, such as a small event field for certain events and a lack of technology.
- Existing sports teams in Las Vegas include UNLV athletics and minor-league hockey, baseball, and soccer teams. Numerous special events are and have been held in Las Vegas, including major professional preseason games, college basketball tournaments, a college football bowl game, boxing and MMA events, and many others. Generally, these events are fairly well-supported by local residents and visitors.

Major League Soccer

- Major League Soccer (MLS) is currently in its 19th season and has experienced significant growth. The league now has 19 franchises and will add at least four more in the next few years.
- One of the main drivers of the league's growth has been the development of soccer-specific stadiums (in the past, most teams played in NFL stadiums that were significantly larger than necessary for professional soccer). As the number of soccer-specific stadiums has increased, so has attendance. MLS' current average attendance of more than 18,000 is greater than the average attendance of both the NBA and NHL.
- Research has shown that soccer interest in Las Vegas is among the highest in the country for markets that do not currently have an MLS franchise.

- In addition to Las Vegas, other reported leading destinations for an MLS expansion franchise are San Antonio, Austin, the Sacramento area, Minneapolis, and San Diego. Expansion markets that will join the league over the next few years are Orlando, New York, Miami, and Atlanta.
- Compared to other MLS metro areas, the Las Vegas metro area is relatively small, with a smaller corporate base and lower income levels. However, the City of Las Vegas has a higher median household income than all but three MLS markets.
- We have analyzed in detail the planning, operations, usage, and other characteristics of a set of soccer-specific MLS stadiums across the country (in Houston, Portland, Kansas City, and Sandy, Utah). In general, these case studies show the types of offerings that are planned into MLS stadiums, their support, usage rates and ticket prices, event and attendance levels, and financial results. These have been strongly considered in our assumptions regarding a new facility in Las Vegas.

Projected Stadium Operations

- We have assumed that a new stadium in downtown Las Vegas will have a total of approximately 24,000 seats, including 34 suites and 1,000 club seats. It is also assumed to have the types and quality of offerings that are found in other leading new MLS stadiums across the country, such as club areas, a concert stage, and concessions. We also assume that the facility will have the ability to provide appropriate levels of cooling for attendees, players and performers, and stadium workers.
- We assume that the stadium will have three sports franchises as tenants - MLS, National Women's Soccer League (NWSL), and Major League Lacrosse (MLL) teams. It would also have the ability to host a wide range of other events, such as other sporting events (soccer and other field sports such as lacrosse and football), concerts, truck events, community events, and others.
- The stadium's projected total number of annual events and attendance are shown below.

Table 1 – Assumed Annual Stadium Events

	2017	2018	2019	2020	2021
MLS Matches	18	18	18	18	18
NWSL Matches	11	11	11	11	11
MLL Games	7	7	7	7	7
Major Soccer Matches	3	3	3	5	5
Other Major Sporting Events (Pro/College)	6	6	6	7	7
Other Sporting Events (Other Amateur)	4	4	4	6	6
Concerts/Festivals	3	3	3	4	4
Other Ticketed Entertainment Events	2	2	2	3	3
Community Events	10	10	10	12	12
Social/Private Events	10	10	10	12	12
Other Events	5	5	5	6	6
Total	**79**	**79**	**79**	**91**	**91**

Source: AECOM

Table 2 – Assumed Total Annual Stadium Attendance

	2017	2018	2019	2020	2021
MLS Matches	360,000	366,783	373,702	380,759	387,957
NWSL Matches	49,500	50,405	51,328	52,270	53,230
MLL Games	38,500	39,216	39,946	40,691	41,451
Major Soccer Matches	45,000	45,000	45,000	75,000	75,000
Other Major Sporting Events (Pro/College)	75,000	75,000	75,000	87,500	87,500
Other Sporting Events (Other Amateur)	16,000	16,000	16,000	24,000	24,000
Concerts/Festivals	60,000	60,000	60,000	80,000	80,000
Other Ticketed Entertainment Events	40,000	40,000	40,000	60,000	60,000
Community Events	25,000	25,000	25,000	30,000	30,000
Social/Private Events	2,500	2,500	2,500	3,000	3,000
Other Events	3,750	3,750	3,750	4,500	4,500
Total	**715,250**	**723,654**	**732,226**	**837,720**	**846,639**

Source: AECOM

- Detailed assumptions regarding the stadium's financial operations, such as ticket prices, rental rates, per-capita attendee spending, and revenue sharing with tenants, are shown in Section 6. However, the resulting pro forma financial statement for the stadium's first five years is shown below.

Table 3 – Annual Stadium Operating Revenues and Expenses ($000s)

	2017	2018	2019	2020	2021
Operating Revenues (Net)					
Rent	$964	$982	$999	$1,256	$1,278
Concessions	856	869	882	1,176	1,193
Catering	58	58	59	77	78
Merchandise	86	88	89	118	119
Premium Seating	784	796	808	1,054	1,070
Other Advertising/Sponsorships	675	685	695	706	716
Facility Fees	306	306	306	399	399
Ticketing/Convenience Fees	607	616	625	835	847
Parking	351	357	362	367	373
Tenant Reimbursement	2,743	2,743	2,743	2,743	2,743
Total	**$7,431**	**$7,500**	**$7,570**	**$8,731**	**$8,818**
Operating Expenses					
Salaries and Benefits	$1,034	$1,050	$1,065	$1,081	$1,098
Contractual Services	310	315	320	324	329
Utilities	620	630	639	649	659
General and Administrative	879	892	906	919	933
Repairs and Maintenance	310	315	320	324	329
Insurance	259	262	266	270	274
Management Fees	827	840	852	865	878
Capital Maintenance Account	400	400	400	400	400
Other Expenses	310	315	320	324	329
Total	**$4,950**	**$5,018**	**$5,087**	**$5,158**	**$5,229**
Net Operating Income	**$2,481**	**$2,481**	**$2,482**	**$3,573**	**$3,589**

Source: AECOM

2. Economic and Demographic Analysis

This section presents an analysis of economic, socioeconomic, and demographic factors and trends relevant to the potential stadium's market area. The analysis considers several geographic scales including the downtown area, the City of Las Vegas, Clark County, the larger metropolitan area, the State of Nevada, and the United States as a whole, for comparison purposes. The purpose of the analysis is to identify characteristics of the market area that may affect its capacity to support a professional sports franchise and other stadium uses examined in this study.

Demographic Trends

Population

Las Vegas is the largest city within Nevada with nearly 600,000 residents (not including its 40 million annual visitors). The metropolitan statistical area (MSA) is comprised solely of Clark County, in which Las Vegas is located. Las Vegas makes up approximately one-third of the population of the MSA, which also includes the cities of Boulder City, Henderson, North Las Vegas, and Paradise. The MSA population was approximately two million in 2012. Within Nevada, the majority of residents (more than 70 percent) live in the county/MSA.

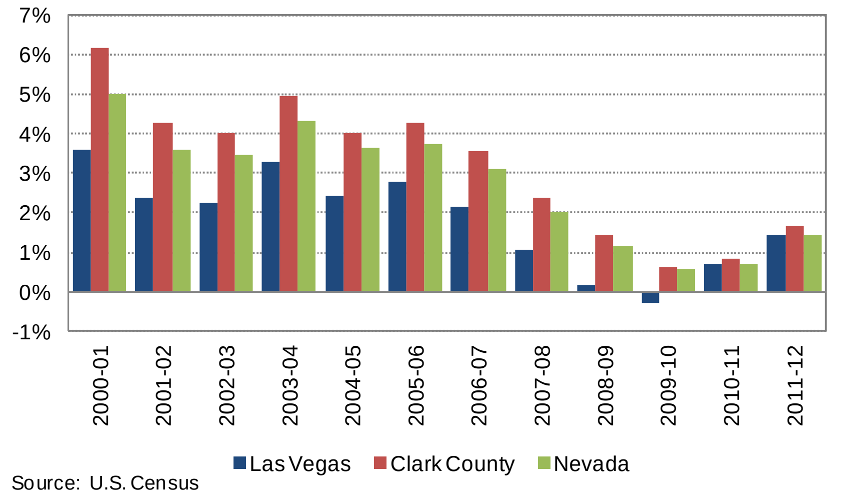
Table 4 – Population, 2000-2017

					CAGR		
Market Area	**2000**	**2010**	**2012**	**2017**	**2000-10**	**2010-12**	**2012-17**
Las Vegas	480,042	583,756	594,148	620,904	2.0%	0.9%	0.9%
Clark County/MSA	1,375,741	1,951,269	1,998,333	2,109,879	3.6%	1.2%	1.1%
Nevada	1,998,250	2,700,551	2,757,217	2,890,046	3.1%	1.0%	0.9%
U.S.	281,421,906	308,745,538	313,129,017	323,986,227	0.9%	0.7%	0.7%

Source: U.S. Census Bureau, ESRI

This area of the country was particularly hard hit during the recession, and population growth slowed. The population of Las Vegas has grown at rates slower than the county/MSA and Nevada since 2000, and lost population in 2010. However, the city, MSA, and state are showing signs of population growth, though at slower rates than before the recession.

Figure 1 – Annual Change in Population, 2000-2012



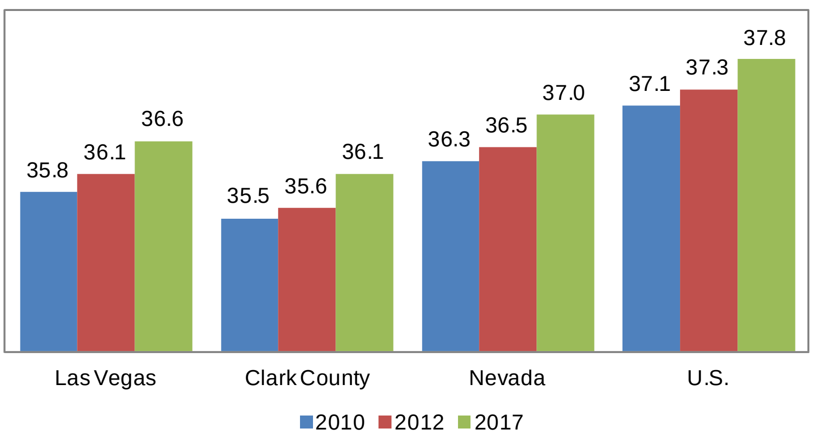
Source: U.S. Census

The population of Las Vegas is expected to grow at a compound annual growth rate (CAGR) of 0.9 percent from 2012 through 2017, reaching 621,000 residents. This is the same rate as the state's, and slightly higher than the national average.

Age

The population of Las Vegas, Clark County/MSA, and Nevada is younger than the national population as a whole, with MSA residents among the youngest as measured by median age. In 2010, the median age of Clark County residents was 35.6, compared to 36.1 for Las Vegas and 37.3 nationally.

Figure 2 – Median Age

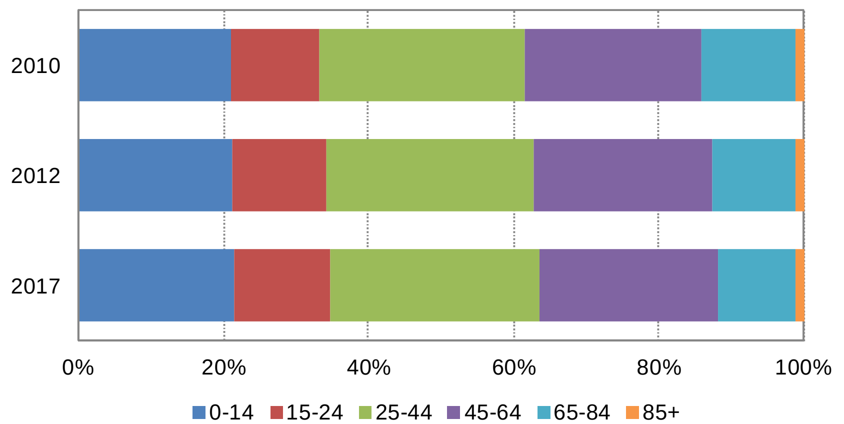


Sources: U.S. Census Bureau and ESRI

While average age is expected to grow for all of the markets profiled, the U.S. is projected to age slightly slower than Las Vegas, Clark County, and Nevada from 2012 through 2017, meaning that the age differential is closing.

The following figure shows the Las Vegas population by age cohort. The share of children and young adults (through 24 years old) is projected to decline from 35 percent in 2010 to 33 percent by 2017. At the same time, the share of those over the age of 65 is expected to increase, to 14 percent in 2017, up from 12 percent in 2010. The workforce – defined as those between 25 and 64 years old – comprises slightly more than half of the population in Las Vegas.

Figure 3 – Las Vegas Population by Age Group

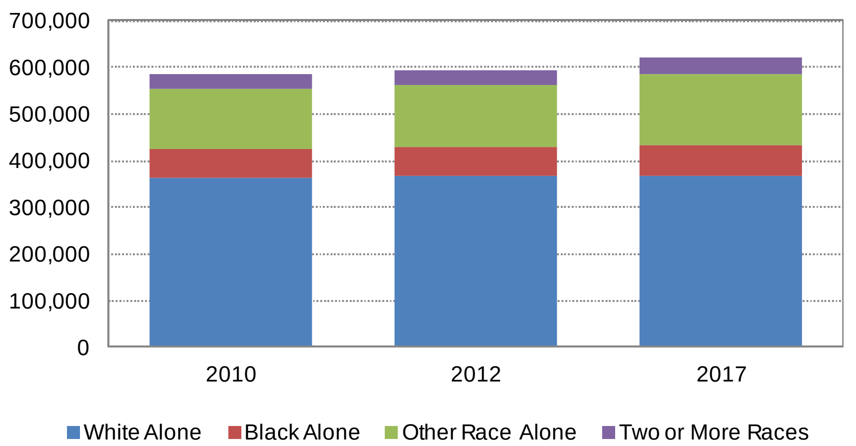


Sources: U.S. Census Bureau and ESRI

Race/Ethnicity

The majority of the population in Las Vegas is white; however; the share is projected to decline slightly by 2017, with population growth occurring among minority races.

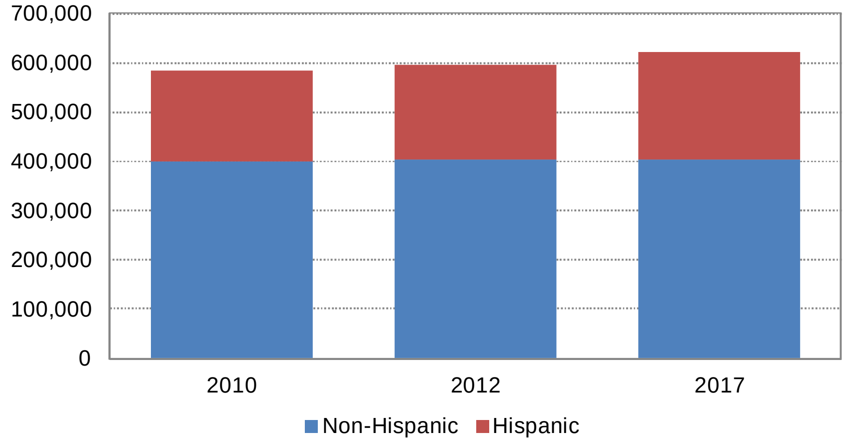
Figure 4 – Las Vegas Population by Race



Sources: U.S. Census Bureau and ESRI

When examining the Las Vegas population by Hispanic origin, it's clear that the population growth occurring in Las Vegas is due to this group. In 2010, 32 percent of the city population was of Hispanic origin. This is projected to increase to 35 percent by 2017. The Hispanic population of Las Vegas will increase by 24,200 residents between 2012 and 2017. Over the same time period, the non-Hispanic population is expected to grow by 0.6 percent, adding 2,500 residents.

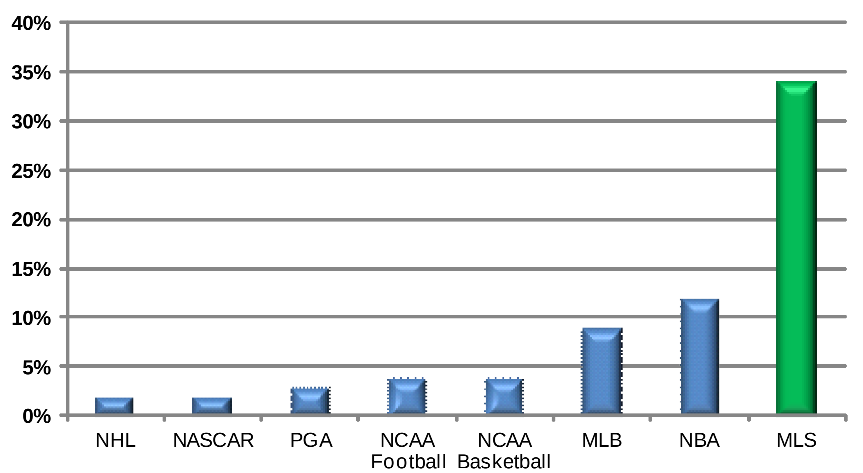
Figure 5 – Las Vegas Population by Hispanic Origin



Sources: U.S. Census Bureau and ESRI

In 2011, the Hispanic population of the Las Vegas metro area (nearly 600,000 residents) was the 16th-highest in the US, according to Pew Research. The following graph shows the percent of TV viewers that are Hispanic for eight major types of sporting events.

Figure 6 – Hispanic Viewership of Various Sports Properties



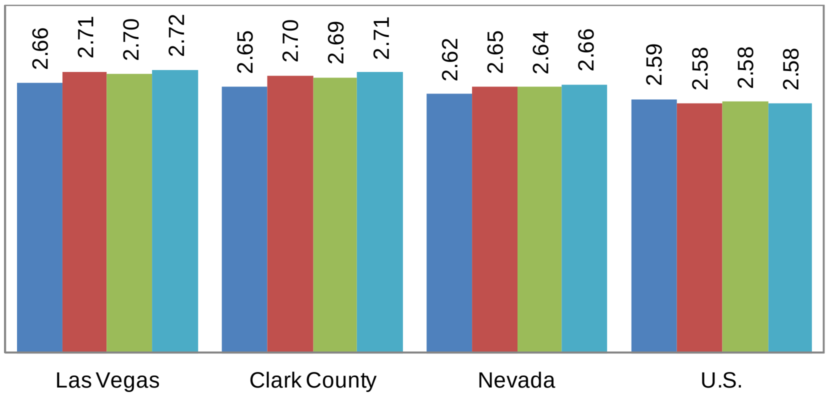
Source: Pew Research

MLS has a significantly greater share of Hispanic viewers than any other sport (34 percent), as the NBA is the only other league or property above ten percent.

Household Size

Average household size is not only slightly larger in Las Vegas and Clark County/MSA, but also increasing slightly as compared to national trends of household size remaining steady. In 2000, the average household size in the U.S. was 2.59 compared to 2.66 in Las Vegas. In 2012, it had increased to 2.7 in Las Vegas and fell slightly in the U.S. to 2.58.

Figure 7 – Average Household Size



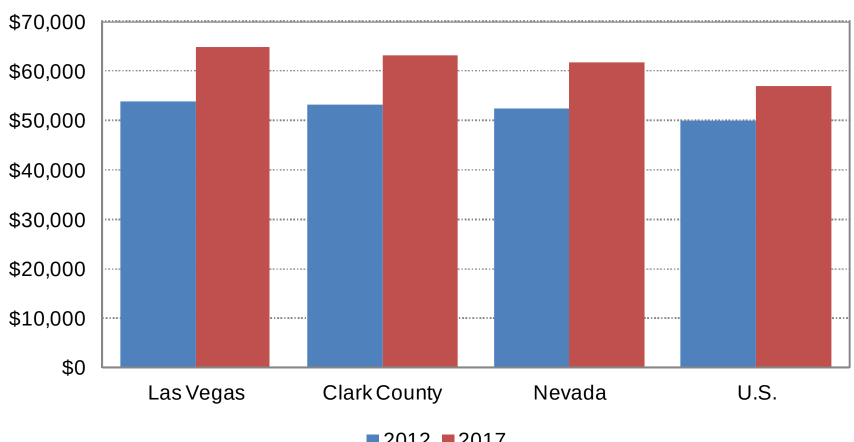
Sources: U.S. Census Bureau and ESRI

Socioeconomic Trends

Household Income

Median household incomes in Las Vegas, Clark County, and Nevada were all higher than the U.S. median in 2012 of $50,160. In Las Vegas, the median was $53,800. In addition, median household income is projected to grow faster in the area than national rates. Between 2012 and 2017, median household income in Las Vegas is projected to grow at a compound annual rate of 3.8 percent, reaching $64,800. This compares to a national growth rate of 2.6 percent over the same time frame.

Figure 8 – Median Household Income

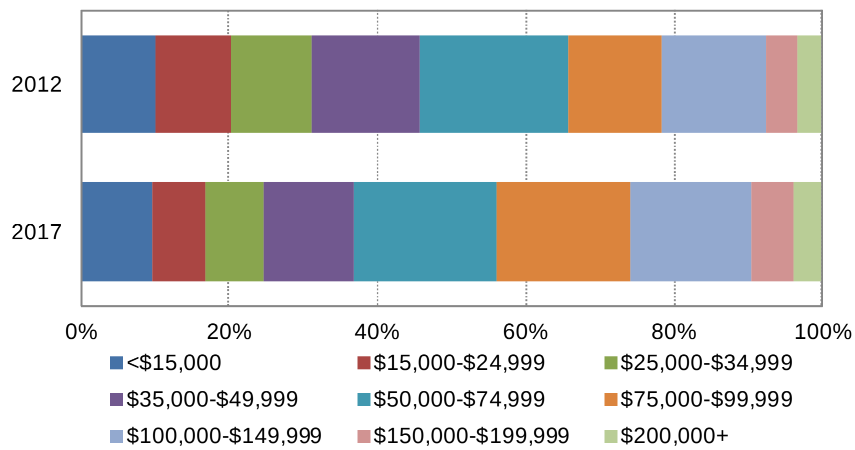


Source: ESRI

The figure below shows the distribution of household income in Las Vegas in 2012 and 2017. In 2012, 13 percent of households earned between $75,000 and $99,999, which is projected to grow to 18 percent by

2017; this is the group with the largest growth over this time frame. The share of households in lower income brackets is also projected to fall.

Figure 9 – Distribution of Household Income in Las Vegas



Source: ESRI

Cost of Living

The Council for Community and Economic Research (C2ER) provides the Cost of Living Index that compares local areas to the national average. The overall cost of living in Las Vegas is slightly lower than the national average. However, prices for transportation, health care, and miscellaneous items are slightly higher than the U.S. average. Housing, which makes up 27 percent of the index, was two percent lower in Las Vegas, and utility costs were 13 percent lower.

Table 5 – Cost of Living Index, 2013 Q1 through Q3 Average

Category (Percent Weight)	Weight	Las Vegas, Nevada	U.S. Average
Grocery	13.56%	95.9	100.0
Health	4.60%	103.2	100.0
Housing	27.02%	98.1	100.0
Transportation	12.35%	100.5	100.0
Utilities	10.30%	87.1	100.0
Miscellaneous	32.17%	105.1	100.0
Composite Total	100.00%	99.5	100.0

Source: Council for Community and Economic Research

Spending and Behavior Patterns

Annual household spending on entertainment and recreation in Las Vegas averaged $3,200 in 2012, which was slightly higher than other local markets profiled. The Spending Potential Index (SPI) compares the expenditures to the national average (100). Las Vegas households spent an average of $61 during 2012 on admission to sporting events with an SPI of 102, which was slightly higher than national averages.

Table 6 – Average Household Spending on Entertainment/Recreation, 2012

	Las Vegas		Clark County		Nevada	
	Avg. HH Spending	SPI*	Avg. HH Spending	SPI*	Avg. HH Spending	SPI*
Entertainment & Recreation	$3,196	104	$3,153	102	$3,107	101
Fees and Admissions	$623	104	$610	102	$594	99
Membership Fees for Clubs	$163	103	$160	101	$156	99
Fees for Participant Sports, excl. Trips	$120	107	$117	105	$114	102
Admission to Movie/Theatre/Opera/Ballet	$160	107	$157	105	$152	102
Admission to Sporting Events, excl. Trips	$61	102	$60	101	$59	99
Fees for Recreational Lessons	$119	101	$115	98	$112	95
Dating Services	$0.5	111	$0.5	110	$0.4	108
TV/Video/Audio Equipment and Services	$1,252	102	$1,237	101	$1,216	99
Pets	$593	117	$588	116	$586	116
Toys and Games	$135	103	$134	102	$131	99
Recreational Vehicles and Fees	$198	92	$194	91	$195	91
Sports/Recreation/Exercise Equipment	$150	89	$149	88	$147	87
Photo Equipment and Supplies	$76	103	$75	102	$74	100
Reading	$144	98	$141	97	$140	96
Catered Affairs	$25	101	$25	98	$24	95

** Spending Potential Index -- Relative to a national average of 100.*
Source: ESRI

The following table shows another measure of the relative market potential for attendance at sports and entertainment events. The table shows the average propensity of a household to participate in an activity as compared to national propensities. For example, the propensity of Las Vegas households to have dined out in the last 12 months is slightly lower than the national average; however, they were slightly more likely to have gone to a bar/night club or dancing. Households in Las Vegas show strong propensities for attending sporting events.

Table 7 – Propensity of Households to Participate in Certain Activities, 2012

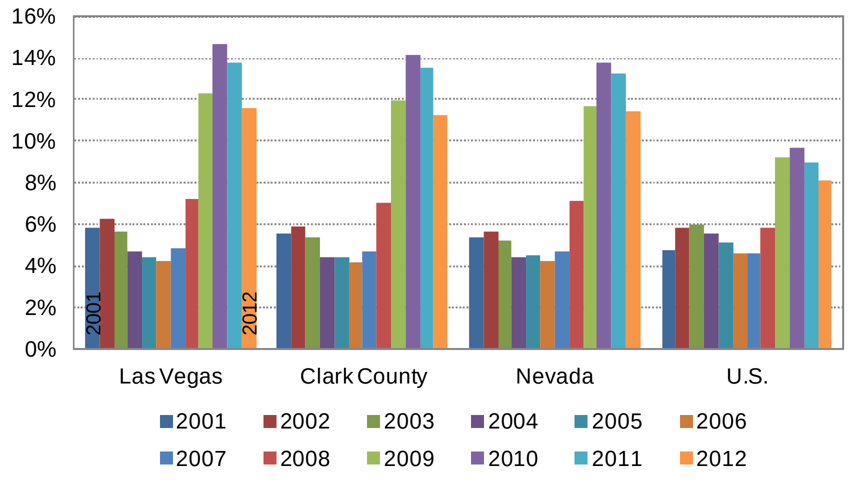
Category	Las Vegas	Clark County	Nevada	U.S.
Dined out in last 12 months	99	101	103	100
Went to bar/night club in last 12 months	102	105	104	100
Attended dance performance in last 12 months	94	95	97	100
Danced/went dancing in last 12 months	105	108	106	100
Attended music performance in last 12 months	98	101	102	100
Went to live theater in last 12 months	96	97	98	100
Attend sports event: basketball game (college)	94	98	100	100
Attend sports event: basketball game (pro)	118	118	113	100
Attend sports event: ice hockey game	106	108	107	100
Attend sports event: soccer game	109	106	105	100

Sources: ESRI, AECOM

Employment

With the recession, unemployment rates across the country began rising in 2008 through 2010. Before the recession, unemployment in Las Vegas and the region was lower than the U.S. average. However, this area was severely impacted and unemployment peaked at 14.6 percent in Las Vegas, 14.2 percent in Clark County, and 13.8 percent in Nevada. This compares to a national peak (annual average) of 9.6 percent. Rates have been declining since 2010 but remained above 11 percent in 2012.

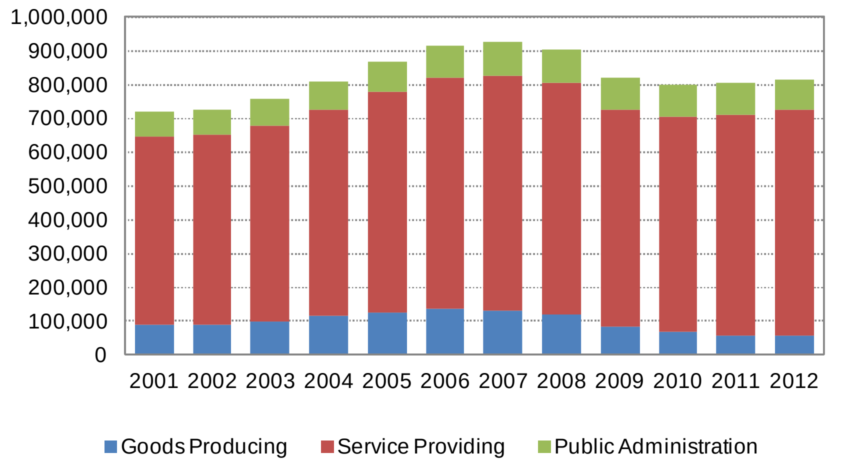
Figure 10 – Unemployment Rates, 2001-2012



Source: BLS

Employment in Clark County peaked in 2007 with nearly 922,500 jobs. The majority of jobs are in the service sector, averaging between 75 and 82 percent of the total. The goods-producing sectors – mining, construction and manufacturing – were the hardest hit during the recession, losing 53,600 jobs between 2008 and 2010. Approximately 50,000 jobs were lost among service sectors over the same time frame. Goods-producing sectors and public administration continued to lose jobs between 2010 and 2012.

Figure 11 – Employment in Clark County/Las Vegas MSA, 2001-2012



Source: BLS

The following table shows the distribution of local jobs in more detail. Jobs in leisure and hospitality make up the largest sector (nearly one-third of all jobs in Clark County). Between 2008 and 2010, these sectors lost more than 16,000 jobs but recovered approximately half of them by 2012.

Table 8 – Employment by Industry in Clark County, Select Years

Industry	2001	2004	2007	2010	2011	2012
Agriculture/Mining	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%
Construction	9.4%	11.0%	11.1%	5.6%	4.7%	4.6%
Manufacturing	2.9%	2.9%	2.9%	2.4%	2.4%	2.5%
Wholesale Trade	2.7%	2.5%	2.6%	2.6%	2.5%	2.5%
Retail Trade	11.0%	11.1%	10.8%	11.6%	11.7%	11.9%
Transportation/Utilities	3.9%	3.7%	3.9%	4.3%	4.4%	4.4%
Information	1.9%	1.3%	1.3%	1.1%	1.2%	1.2%
Finance/Insurance/Real Estate	5.6%	5.8%	5.4%	5.0%	4.9%	4.9%
Prof. & Business Services	11.3%	11.9%	12.6%	12.5%	12.7%	13.1%
Education and Health Services	6.2%	6.7%	6.9%	8.7%	9.0%	9.1%
Leisure and Hospitality	32.7%	30.6%	29.6%	31.8%	32.4%	32.0%
Other Services	2.3%	2.3%	2.3%	2.5%	2.5%	2.6%
Public Administration	10.1%	10.2%	10.5%	11.8%	11.5%	11.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: BLS

The top 20 non-gaming employers in Clark County are shown below. By far the largest employer is the Clark County School District with 30,000 to 40,000 employees. Many of the largest employers are government agencies of all levels. The largest private employer in Clark County is Southwest Airlines with between 3,000 and 3,499 employees.

Table 9 – Largest Non-Gaming Industry Employers in Clark County

Employer	Owner	Employees
Clark County School District	Local Gov.	30,000 to 39,999
Clark County	Local Gov.	8,000 to 8,499
University of Nevada Las Vegas	State Gov.	5,000 to 5,499
Las Vegas Metropolitan Police	Local Gov.	4,500 to 4,999
University Medical Center of S. NV	Local Gov.	3,500 to 3,999
City of Las Vegas	Local Gov.	3,000 to 3,499
Southwest Airlines	Private	3,000 to 3,499
City of Henderson	Local Gov.	2,500 to 2,999
College of Southern Nevada	State Gov.	2,500 to 2,999
Sunrise Hospital and Medical Center	Private	2,500 to 2,999
Veterans Affairs Medical Center	Federal Gov.	2,000 to 2,499
St. Rose Dominican-Siena	Private	1,500 to 1,999
Capital One Services	Private	1,000 to 1,499
Checker Cab Company	Private	1,000 to 1,499
City of North Las Vegas	Local Gov.	1,000 to 1,499
Client Logic	Private	1,000 to 1,499
COX Communications LV	Private	1,000 to 1,499
Department of Defense	Federal Gov.	1,000 to 1,499
Desert Springs Hospital	Private	1,000 to 1,499
Freeman Decorating Services	Private	1,000 to 1,499

Source: Nevada Department of Employment

The following table shows the top 20 corporate gaming employers in Clark County. Wynn Las Vegas is the largest with between 8,000 and 8,499 employees.

Table 10 – Largest Corporate Gaming Employers in Clark County

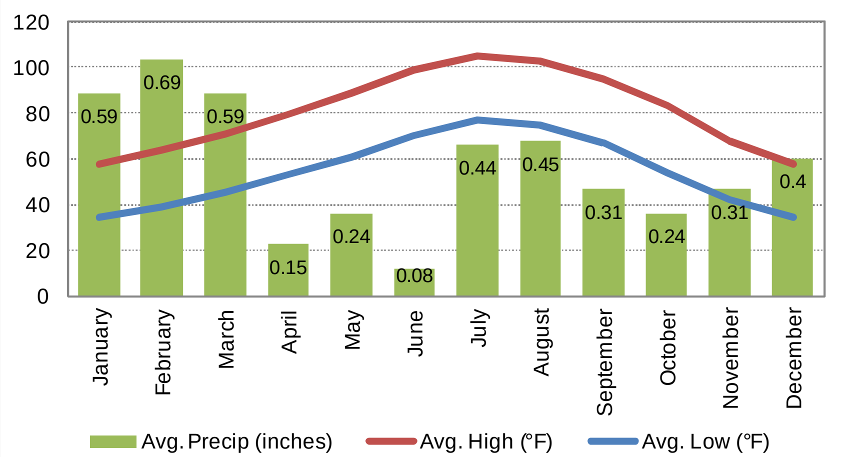
Employer	Employees	Employer	Employees
Wynn Las Vegas	8,000 to 8,499	Bally's Casino Hotel	3,000 to 3,499
Aria Resort & Casino	7,500 to 7,999	Encore Las Vegas	3,000 to 3,499
Bellagio	7,500 to 7,999	Rio Hotel & Casino	3,000 to 3,499
MGM Grand Hotel/Casino	7,500 to 7,999	Circus Circus Casino Inc.	2,500 to 2,999
Mandalay Bay Resort & Casino	6,500 to 6,999	Flamingo Las Vegas	2,500 to 2,999
Caesars Palace	6,000 to 6,499	Golden Nugget	2,500 to 2,999
Cosmopolitan of Las Vegas	4,000 to 4,499	Harrah's Casino Hotel Las Vegas	2,500 to 2,999
Mirage Casino-Hotel	4,000 to 4,499	Luxor Private Casino Hotels	2,500 to 2,999
Venetian Casino Resort	4,000 to 4,499	Paris	2,500 to 2,999
Palazzo Casino Resort	3,500 to 3,999	Treasure Island Hotel Casino	2,500 to 2,999

Source: Nevada Department of Employment

Climate/Weather

On average, the warmest month in Las Vegas is July, with temperatures ranging from 77°F to 105°F. The record high temperature was 118° in July 1942. Temperatures don't typically fall below freezing, with the average low reaching 34°F. January is the coolest month and February is the rainiest month, averaging 0.69 inches. The lowest recorded temperature in Las Vegas was 10°F in January 1950.

Figure 12 – Average Temperatures and Rainfall in Las Vegas

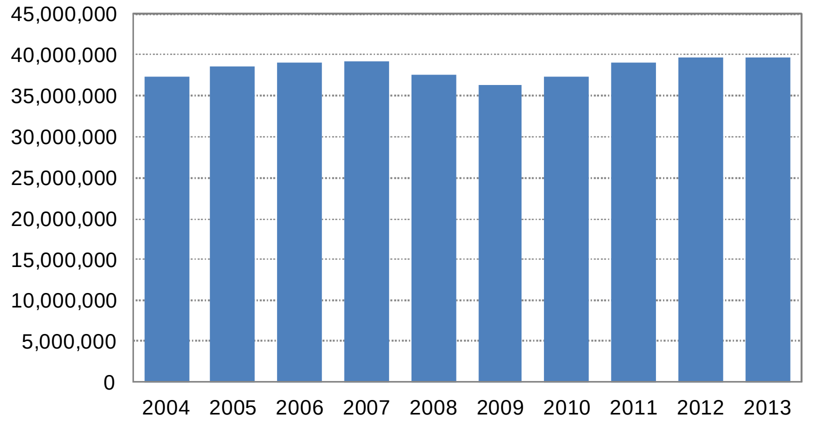


Source: The Weather Channel

Visitor Market

Nearly 40 million visitors travel to Las Vegas from around the world each year. The number of visitors fell during the recession, as travel decreased in general; however, visitation now surpasses pre-recession levels.

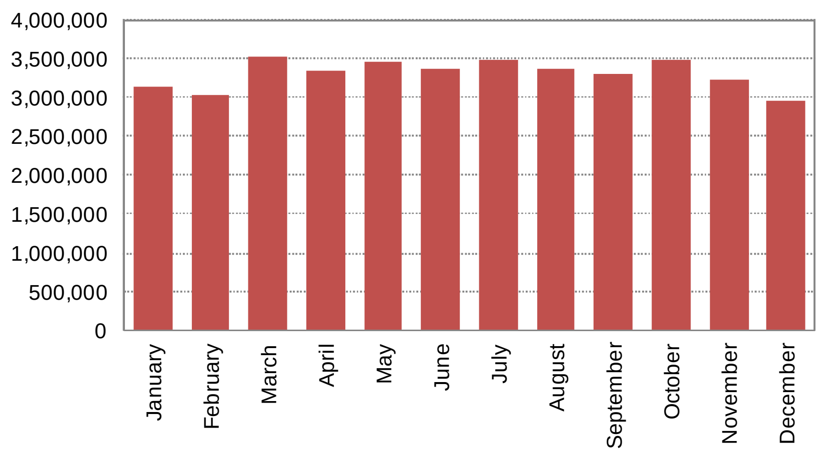
Figure 13 – Annual Visitors to Las Vegas, 2004-2013



Source: Las Vegas CVA

In 2013, nearly 40 million people visited Las Vegas. The city is the top tourism destination in the country for US visitors, and is among the most-visited US cities by international travelers. Monthly visitation was highest in March, with 3.5 million visitors. Other top months for tourism were May, July, and October. The months of December, January, and February had the fewest visitors in 2013.

Figure 14 – Monthly Visitors to Las Vegas, 2013



Source: Las Vegas CVA

According to a visitor profile conducted for the Las Vegas Convention and Visitors Authority (LVCVA), 41 percent of all visitors were in Las Vegas for a vacation or pleasure trip in 2013. This was considerably higher among first-time visitors, who comprised15 percent of all visitors in 2013. Among first-time visitors, 64 percent were in town on vacation. Among repeat visitors, 37 percent were on vacation, 17 percent came to gamble, and 12 percent were visiting friends and relatives. On average, visitors have made 6.4 trips to Las Vegas during the past five years.

Table 11 – Primary Trip Purpose for Las Vegas Visitors

	2009	2010	2011	2012	2013
Total visitors (millions)	36.4	37.3	38.9	39.7	39.7
First-time visitors	17%	18%	16%	16%	15%
Vacation or Pleasure	40%	51%	50%	47%	41%
First-Time Visitors	61%	69%	70%	66%	64%
Repeat Visitors	35%	47%	46%	43%	37%
Gamble	13%	9%	7%	8%	15%
First-Time Visitors	2%	1%	1%	1%	4%
Repeat Visitors	15%	10%	8%	9%	17%
Visit Friends or Relatives	15%	11%	13%	14%	12%
First-Time Visitors	10%	8%	7%	14%	13%
Repeat Visitors	16%	12%	15%	14%	12%
Avg. # of visits in past five years	6.5	5.9	6.2	5.8	6.4
Avg. # of visits in past year	1.7	1.7	1.7	1.6	1.7

Source: Las Vegas Convention and Visitors Authority

Las Vegas hosts approximately 18,000 to 23,000 conventions and meetings a year. Combined, they brought in five million visitors in 2013. Many visitors also come to gamble. In 2013, Clark County generated $9.7 billion in gaming revenue, $6.5 billion of which was generated on the Strip and $501 million from downtown Las Vegas.

Various characteristics of Las Vegas visitors include the following:

- The average party size of visitors to Las Vegas was 2.4 people in 2013.
- The average length of stay has fallen slightly, to an average of 3.3 nights, down from 3.7 nights in 2011.
- Nearly all visitors stay overnight, with 96 percent staying in a hotel or motel.
- The majority of visitors gambled while in Las Vegas; however, the share is declining, as is the number of hours spent gambling. On the positive side, the average gaming budget was up significantly.
- Among those who gambled, nearly 90 percent gambled on the Strip and more than one-quarter gambled in casinos downtown.
- The majority of visitors also attended a show or lounge act while in Las Vegas, and the share has been increasing in recent years, as casino properties attempt to capture additional non-gaming revenues.

Table 12 – Trip Characteristics for Las Vegas Visitors

	2009	2010	2011	2012	2013
Total visitors (millions)	36.4	37.3	38.9	39.7	39.7
Overnight	99.8%	99.3%	99.8%	99.7%	99.8%
Stayed in a hotel	91%	90%	90%	92%	93%
Average Length of Stay					
Days	4.6	4.6	4.7	4.3	4.3
Nights	3.6	3.6	3.7	3.3	3.3
Entertainment Activities					
Attended shows	64%	68%	60%	65%	72%
Attended lounge acts	69%	66%	73%	78%	87%
Attended big-name headliner	9%	18%	17%	14%	13%
Attended comedy show	18%	17%	11%	11%	8%
Went to paid attractions	16%	20%	18%	13%	15%
Visitors who Gambled	83%	80%	77%	72%	71%
Gambled on Strip Corridor	89%	–	89%	–	88%
Gambled downtown	29%	–	29%	–	27%
Hours per day gambling	3.2	2.9	2.9	2.6	2.9
Avg. trip gambling budget	$482	$466	$448	$485	$530

– = Not surveyed
Source: Las Vegas Convention and Visitors Authority

Downtown Tourism

The share of visitors who visited downtown has fluctuated in recent years, falling to 30 percent in 2013, down from a peak of 45 percent in 2010. The main reason for visiting downtown was the Fremont Street Experience. Nearly one-fifth of visitors to downtown stayed there, and a growing share is also dining downtown.

Table 13 – Downtown Visitors

	2009	2010	2011	2012	2013
Visited Downtown Las Vegas	38%	45%	34%	36%	30%
Fremont Street Experience	62%	–	64%	–	59%
Lodging	17%	–	18%	–	17%
Gamble	9%	–	9%	–	8%
Sightsee	7%	–	7%	–	6%
Dining	1%	–	1%	–	6%
Other	5%	–	2%	–	4%
		–		–	
Reason for Not Visiting Downtown					
No interest	–	44%	–	56%	–
Not enough time	–	28%	–	21%	–
Unfamiliar with downtown	–	17%	–	13%	–
Inconvenient	–	6%	–	3%	–
Prefer strip	–	3%	–	3%	–
Don't like downtown/bad area	–	1%	–	2%	–
Other	–	2%	–	3%	–

– = Not surveyed
Source: Las Vegas Convention and Visitors Authority

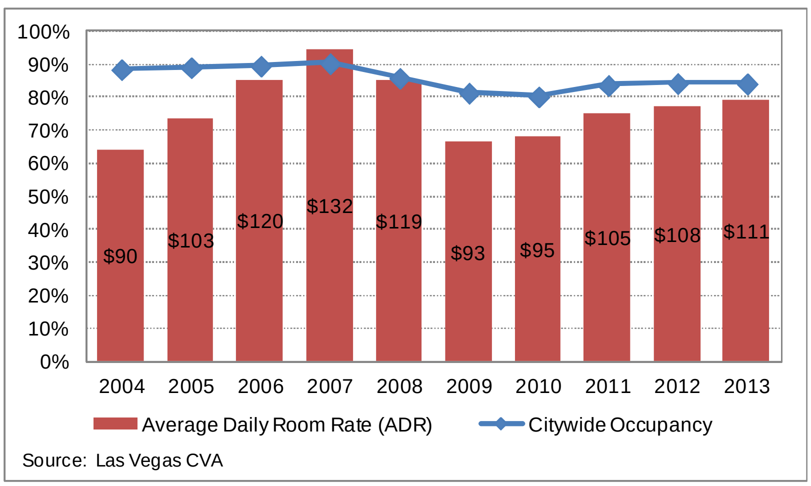
In 2012, the LVCVA compared visitors who were staying downtown, on the Strip, and other locations. Findings included the following:

- The share of repeat visitors is higher among people staying downtown. These visitors also made more trips on average than those staying on the Strip during the past five years (10.1 visits compared to 6.0 visits).
- Among those staying downtown, 45 percent said their primary trip purpose was vacation or pleasure. This compares to 50 percent of visitors staying on the Strip and 31 percent of visitors who stayed elsewhere.
- Visitors staying downtown averaged a longer stay (3.9 nights) than those that stayed on the Strip (3.2 nights), and more of them gambled (88 percent compared to 72 percent of those staying on the Strip).
- Downtown visitors also had higher gaming budgets ($598 for downtown lodgers versus $513 for those staying on the Strip).

Hotel Inventory

According to the LVCVA, there are approximately 150,000 hotel/motel rooms in Las Vegas (which is more than any other US city has). Average occupancy peaked at 90.4 percent in 2007 before the recession began. As it took hold, occupancy fell to a low of 80.4 percent in 2010. It has been recovering since, but is still several percentage points below the peak. As occupancy dipped, the average daily rate (ADR) also decreased, which occurred across the country as hotels tried to entice visitors by lowering prices. Room rates have not yet returned to pre-recession levels in Las Vegas.

Figure 15 – Las Vegas Hotel Occupancy and Average Daily Rate, 2004-2013



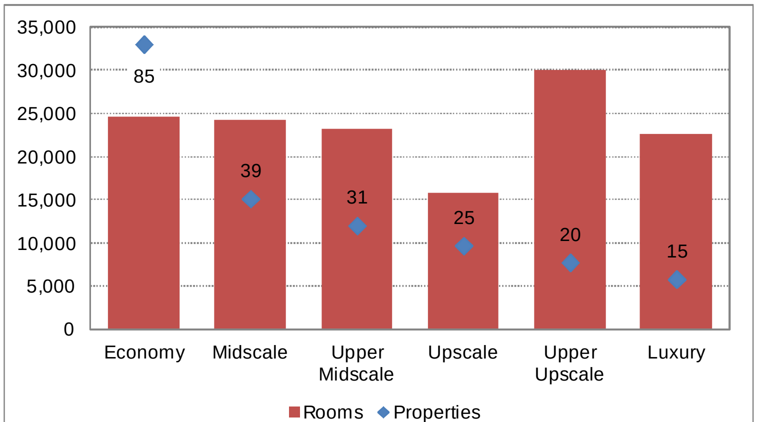
Occupancy rates and ADRs are higher on the Strip compared to downtown. In 2013, the average occupancy for downtown hotels was 75.2 percent, with an ADR of $68.55. This compares to 86.6 percent occupancy at hotels on the Strip, with an ADR of $119.53.

Smith Travel Research (STR) a firm that monitors hotel performance, classifies hotels into segments based on their brand as well as average room rates. The segments include:

Luxury Chains	Upper Mid Scale Chains
Upper Upscale Chains	Mid Scale Chains
Upscale Chains	Economy Chains

The following chart shows the number of hotels operating in the City of Las Vegas as well as the number of rooms by class. Combined, the 20 Upper Upscale hotels in Las Vegas have the most rooms (30,150).

Figure 16 – Las Vegas Hotels and Rooms by Class



Source: Smith Travel Research

The LVCVA projects that by 2016, there will be an additional 5,776 hotel rooms in the market.

Property	Est. Completion Date	Est. Cost (millions)	Hotel/Mote Rooms
The Cromwell (rebrand)	May 2014	$185	188
Hampton Inn and Suites	Mid 2014	$35	145
SLS Las Vegas (rebrand)	September 2014	$415	1,622
Residence Inn Marriott	2015	NA	134
Resorts World Las Vegas	2016	$3,000	3,500
Residence Inn Marriott Henderson	2016	NA	100
Fairfield Marriott NW	2016	NA	87

NA = Not Available
Source: LVCVA

Access to Downtown Las Vegas

The proposed development site is located southeast of the intersection of Interstate 15 and US 95, approximately eight miles (15 minutes) north of McCarran International Airport. In 2013, 42 percent of all visitors to Las Vegas arrived by air. McCarran International was the 24th busiest airport in the world, with nearly 20 million enplanements during 2012, up slightly from 2011. McCarran consists of 110 aircraft gates at two separate terminal buildings. The top five airlines serving McCarran are Southwest, Delta, United, American, and Allegiant. In addition to McCarran, there are four general aviation facilities that make up the Clark County Airport System (Jean Sport Aviation Center, Henderson Executive Airport, the North Las Vegas Airport, and Perkins Field).

Table 14 – Las Vegas Airports and Enplanements

	Enplanements	
Airport	**2011**	**2012**
Jean Sport Aviation Center	0	1,290
Henderson Executive	16,946	22,372
McCarran International	19,872,617	19,959,651
North Las Vegas	55,161	48,271
Overton/Perkins Field	3,528	2,725

Source: Federal Aviation Administration

3. Local Market Support

In this section, we address the current and planned inventory of major outdoor sports and entertainment facilities in Las Vegas, their characteristics and operations, the presence of and support for major events in the city, and feedback from a wide range of industry stakeholders, such as facility managers and event promoters. We also address the presence of indoor-based facilities and events. This information will help to form the basis of our stadium conclusions and recommendations.

Existing and Planned Local Facilities

The following section describes the primary existing and planned stadiums and other venues for major outdoor events in Las Vegas that are relevant to the planning of a new MLS stadium.

Table 15 – Planned and Existing Outdoor Las Vegas Sports and Entertainment Facilities

Facility Name	Seating Capacity	Owner/ Operator	Tenant(s)	Orientation	Level of Competition with New Stadium
Las Vegas Motor Speedway	131,000	Speedway Motorsports	Racing Events, EDC	Racing Events	Low
Potential UNLV Stadium	~50,000-60,000	UNLV/Unknown	UNLV	Multipurpose	Medium
Sam Boyd Stadium	40,000	UNLV	UNLV	Football	Medium
Cashman Field	9,300	LVCVA	Las Vegas 51s	Baseball	Low
Luxor Festival Grounds	Var.	MGM	None	Multipurpose	Low
The LINQ	Var.	Caesars	None	Multipurpose	Low

New stadium would replace SBS

Source: AECOM research

As the table shows, should UNLV build a new multipurpose football stadium, we assume that it will replace its current Sam Boyd Stadium.

Las Vegas Motor Speedway

The Las Vegas Motor Speedway is approximately 15 miles from the Strip and opened in 1971 (although it received a $72-million renovation in 1995). The facility is owned by Speedway Motorsports and has a capacity of 131,000, and multiple tracks (including road courses, a dirt track, a strip, and an off-road course).

The track annually hosts a number of major racing events: the Kobalt Tools 400, Boyd Gaming 300, Smith's 350, the NHRA Mellow Yellow Drag Racing Series, Global RallyCross Championship, the SummitRacing.com NHRA Nationals, and the Toyota NHRA Nationals. These events are in addition to a number of smaller racing events held throughout the year, and "driving experiences," such as the Richard Petty Driving Experience, that are offered.

Since 2011, the Electric Daisy Carnival, a three-day music festival, has been held at LVMS. The first event sold approximately 235,000 tickets over three days, but in the last two years, reported attendance has increased to 345,000. The event's promoter has a ten-year contract with LVMS to host EDC through 2022. EDC is the major non-racing event held at the Speedway.

Potential New UNLV Stadium

UNLV was recently in the planning process for a new multipurpose stadium that would effectively replace Sam Boyd Stadium (below) as the home of its football program. A consultant study addressed factors such as the market and need for a new multipurpose stadium, funding opportunities, and costs. The potential stadium would be significantly larger than an MLS stadium (50,000 or more seats). The study also addressed whether the stadium should be open-air or have a retractable roof or other type of shading/cooling system.

Earlier this year, a consulting team that had been hired by the UNLV Stadium Authority has presented the following analysis, conclusions, and recommendations regarding the potential new facility:

- A total seating capacity of 50,000 to 60,000.
- A recommended premium seating inventory (based on surveys of UNLV stakeholders) of 1,000 to 2,000 club seats, 20 to 30 loge boxes, and 50 to 60 luxury suites.
- Roofing options being considered include an open-air stadium, open-air with a shading system, a closed roof, and a retractable roof.
- The facility's annual event calendar could include approximately 40 events per year (depending on roof options), including UNLV football and other sports and entertainment events. However, this also assumes that an MLS team plays in the stadium.
- Cost estimates ranging from approximately $490 million to $680 million, depending on roof and shading options, not including potentially lowering the playing field below grade and infrastructure requirements/improvements such as parking, transportation, and others.

A previous report prepared for UNLV regarding an on-campus "mega-event stadium" identified the following events that could be attracted to Las Vegas with a new stadium. Some of these events could also be held in an MLS stadium, should the UNLV stadium not be built, although others would require a fully enclosed stadium.

Table 16 – Potential "Mega-Event Stadium" Events

Pac-12 Football Championship Game	X Games
NFL Exhibition Game	NFL Pro Bowl
NCAA Bowl Game	MWC Football Championship Game
NCAA Regular-Season Games	NFR Closing Event
International Soccer Festival	Wrestlemania
Music Festivals and Concerts	National Political Convention
UFC International Fight Week	NCAA Basketball Final Four
Winter Kick Soccer Festival	Comic-Con
MLS All-Star Game	Boxing

Source: AECOM research

In late August, further planning for the stadium was put on hold, and UNLV's president said that any request for state funding would be delayed until the legislature's 2017 session.

Sam Boyd Stadium

Sam Boyd Stadium is UNLV's football stadium, and opened in 1971. The 40,000-seat stadium is owned and operated by the university and also hosts the annual Las Vegas Bowl. Other regular/annual users include high school football games and USA Sevens rugby. In the past, other stadium tenants have included minor-league soccer and multiple professional football teams. The stadium was last renvoated in 1998, and now has 16 suites and approximately 500 club seats. The facility is located approximately eight miles east of the Thomas & Mack Center.

The following table summarizes the stadium's 2013 usage.

Table 17 – Sam Boyd Stadium Usage

	# of Events	Avg. Atten.	Total Atten.
UNLV Football	7	10,356	72,492
USA Sevens Rugby	3	15,376	46,128
Monster Jam/Supercross	3	23,362	70,087
MAACO Las Vegas Bowl	1	20,466	20,466
NIAA Football Championship	1	4,381	4,381
UFL Football	2	1,792	3,583
Real Madrid vs. Santos Laguna	1	18,483	18,483
Other Events	2	5,645	11,290
Total	**20**		**246,910**

Source: AECOM research

Non-UNLV events held at the stadium included USA Sevens Rugby, three Monster Jam and Supercross events, the Las Vegas Bowl, an international soccer match, the Nevada state high school football championships, and others.

This February, SBS also hosted the Las Vegas ProSoccer Challenge, which featured a preseason match between Colorado and Chivas USA, as well as a match between the UNLV soccer team and reserves of MLS' Colorado Rapids and other activities such as a "Futbol Fiesta". (The Colorado-Chivas game had an announced attendance of approximately 9,100.) In 2014, in addition to its typical uses and the ProSoccer Challenge, the stadium is also expected to host a limited number of large conventions and private events.

The following table summarizes the soccer matches that have been held in SBS since 1999, and their attendance.

Table 18 – Soccer at Sam Boyd Stadium

1999		**2007**	
CONCACAF Tournament (8)	1,756 to 3,750	Monterrey vs. Pumas	6,355
2001		**2011**	
Copa de Coors	8,259	Mexico vs. Venezuela	7,777
2002		**2012**	
Coors Lite Copa	3,390	Real Madrid vs. Santos Laguna	18,483
2003		**2013**	
Colorado vs. Mexico	4,716	Las Vegas Pro Soccer Challenge/Adult Cup	7,290
2006		Club America vs. Chivas Guadalajara	14,879
Monterrey vs. Morelia	7,399	Morelia vs. CS Luis Angel Firpo	4,428

Source: SBS

The table below summarizes the stadium's operating revenues and expenses for its last full fiscal year, not including more than $10 million in facility-related expenses that apply to the Thomas & Mack Center, Cox Pavilion, and SBS.

Table 19 – Sam Boyd Stadium Revenues and Expenses

Operating Revenues	
Rent and Reimbursement	$1,521
Catering	942
Concessions	2,392
Ticket Fees	1,763
Parking	115
Coroporate Sales	1,373
Novelties	103
Interest & Other Income	112
Total Operating Revenues	**$8,321**
Operating Expenses	
Direct Event Expense	$1,042
Catering	482
Concessions	1,424
Ticketing	899
Paid Parking	96
Corporate Sales	138
Novelties	49
Total Operating Expenses	**$4,130**
Net Operating Income	**$4,191**

**Not including $10.6M in unallocated expenses.*
Source: AECOM research

Should the new stadium be built, Sam Boyd Stadium would presumably be demolished.

Cashman Field/Cashman Center

Cashman Field is a minor-league baseball stadium that is owned and operated by the Las Vegas Convention and Visitors Authority, and is located approximately one mile from downtown. The 9,300-seat stadium is primarily used by the Las Vegas 51s, the Class-AAA affiliate of the New York Mets, and is part of the Cashman Center. The Center also includes 98,000 square feet of exhibit space and a 1,900-seat theater.

Cashman Field does not typically host non-baseball events; Cashman Center hosts a wide range of community events. This year, its calendar includes a gun show, a bridal show, the Las Vegas Harvest

Festival Original Art & Craft Show, and bodybuilding competition. These events typically use Cashman Center's indoor facilities; however, events such as Las Vegas BikeFest also use its parking lot for event-related activities.

From 1998 through 2000, Cashman Field was the home of the Triple-A World Series. The stadium also hosts two Major League Baseball spring training games every year. For the last ten years, the Chicago Cubs have played consecutive games on "Big League Weekend." Past attendance for these games, and 51s games, is shown later in this section.

Luxor Festival Grounds

Across the street from the Luxor on the Strip is the Luxor Festival Grounds. The 15-acre site is typically used for parking but has accommodated special events in recent years. Last year, MGM (owner of the Luxor) received approval to convert the area into an event space, with new fencing, lighting, and greenery, although no permanent structures will be built.

According to reports of the approvals, MGM will be allowed to host up to 16 events per year, with an estimated maximum attendance of 64,000 people. These events are expected to include concerts, music and food festivals, sports, and other similar events.

In recent years, events hosted at the Grounds have included:

- The Red Bull Soundclash (2011).
- The Rockstar Energy Drink 48-Hour Festival (2011).
- The 2012 Vans Warped Tour, which sold approximately 11,000 tickets. This touring event was held at The Plaza's parking lot in downtown Las Vegas in 2011 and at the Silverton Hotel & Casino in 2013, and will return to the Festival Grounds this June.
- The televised "American Ninja Warrior" obstacle course show was filmed there last year.

The LINQ

The LINQ is a new open-air entertainment district that includes the 550-foot High Roller, the world's tallest observation wheel. The 300,000-square foot district also includes more than 30 retail, dining, and entertainment outlets. It is owned by Caesars Entertainment and located on the Strip, across from Caesars Palace and between the Flamingo and Quad.

While $550-million LINQ is primarily focused on indoor shopping and commercial entertainment and is not an event venue per se, it can also host large outdoor events such as music festivals. In early April, the district's outdoor parking was used for its first major event, the second annual ACM Party for a Cause Festival, in conjunction with Academy of Country Music (ACM) Awards. This Labor Day weekend, the LINQ also hosted multiple outdoor concerts.

In 2013, the first ACM Party for a Cause Festival was held at the Orleans (the arena and other areas on the property) and approximately 9,500 tickets were sold. At the LINQ, the two-day event had multiple stages and other attractions such as a marketplace and interactive games. (After being held in Las Vegas for multiple years, ACM recently announced it will be held in Dallas' AT&T Stadium next year.)

Indoor Events Facilities

Las Vegas has a significant supply of indoor sports and entertainment facilities that includes arenas, theaters, and a new performing arts center. Specific facilities include:

- **Arenas** – the city's major arenas include the 16,800-seat MGM Grand Garden Arena and the 12,000-seat Mandalay Bay Events Center (both of which are owned by MGM), UNLV's 16,600-seat Thomas & Mack Center, and the 7,800-seat Orleans Arena. In addition, MGM recently broke ground on a new 20,000-seat arena.

  We do not expect these facilities to provide any significant competition to a new outdoor stadium. It is possible that some events, such as a major concert, could consider both an indoor and outdoor venue as a destination, but we do not expect this to impact the market for a stadium in any significant way.

- **Theaters and Performing Arts** – there are a number of venues that have 5,000 or fewer seats in Las Vegas. Many are located on hotel/casino properties, including the House of Blues (Mandalay Bay), The Pearl (Palms), the Colosseum (Caesars Palace), and The Joint (Hard Rock). In addition, the Smith Center for the Performing Arts opened in Symphony Park in 2012.

  Similar to the city's arenas (and even more so due to their smaller size), these theaters are not expected to provide any direct competition to a major new stadium.

Other Local Sports, Entertainment, and Special Events

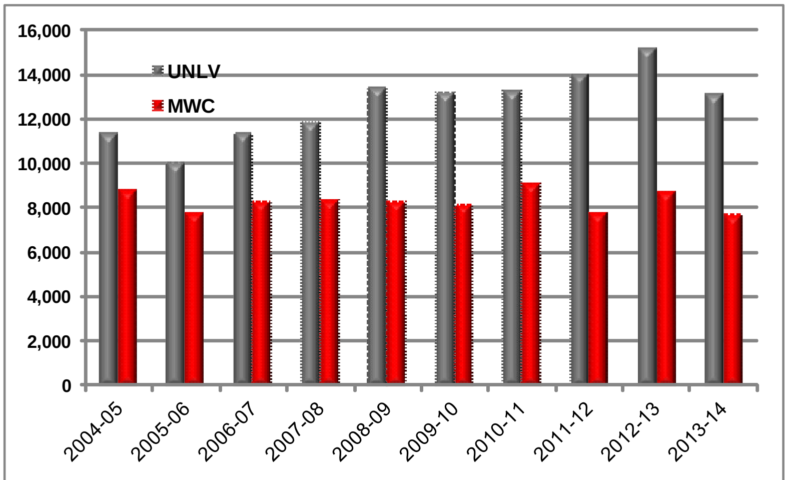
Due to the unique nature of Las Vegas as a tourist destination and entertainment hub, the city hosts a particularly wide range of special, one-time events as well as ongoing events. This includes minor-league sports, sports tournaments, music festivals, long-term residencies by major performers, and many others (both indoor and outdoor events). This section addresses many of these events, their performance in Las Vegas compared to other markets, and other factors that may indicate the strength of the city's support for events and entertainment in general.

Ongoing Sporting Events – Local Teams

In addition to a major university (UNLV), Las Vegas also hosts multiple minor-league professional sports teams. In general, these franchises are primarily supported by local residents throughout the year. Below, we analyze these teams' attendance support compared to the support provided by other similar markets (such as those in the teams' leagues and conference).

UNLV Men's Basketball (Thomas & Mack Center)

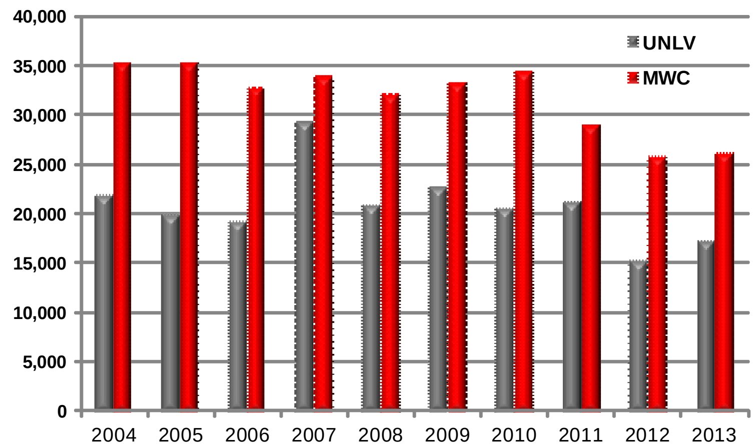
Figure 17 – UNLV and MWC Basketball Attendance



Source: NCAA

UNLV Football (Sam Boyd Stadium)

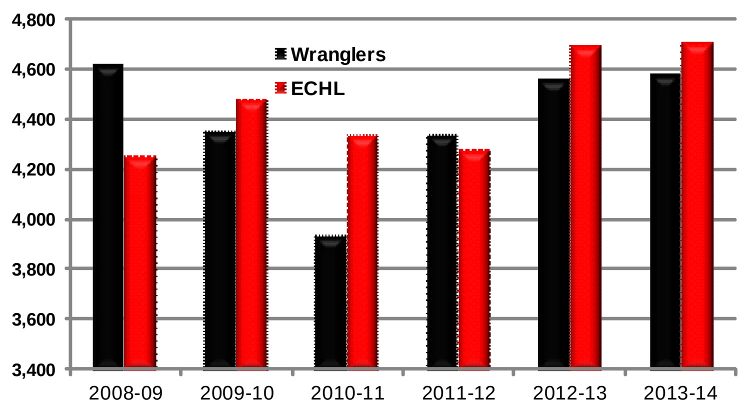
Figure 18 – UNLV and MWC Football Attendance



Source: NCAA

Las Vegas Wranglers (ECHL, Orleans Arena)

Figure 19 – Wranglers and ECHL Attendance

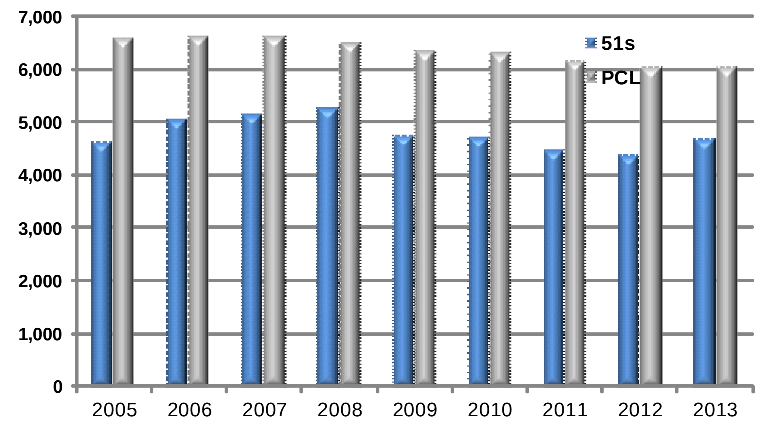


Source: ECHL

Due to the loss of their lease at Orleans Arena and inability to find a new home, the Wranglers will be on hiatus for the 2014-15 season and will attempt to return the following year.

Las Vegas 51s (Pacific Coast League, Cashman Field)

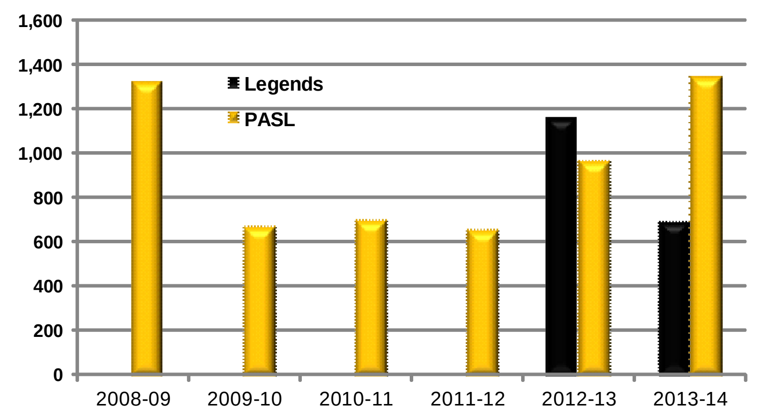
Figure 20 – 51s and PCL Attendance



Source: MiLB

Las Vegas Legends (PASL-Pro, Orleans Arena and Las Vegas Sportspark)

Figure 21 – Legends and PASL-Pro Attendance



Source: PASL-Pro

The Legends joined the league in 2012-13.

Special Events Held in Las Vegas and Other Cities

Many other events in Las Vegas are held as special events locally because they typically otherwise take place in other cities, are unique events that take place in a limited number of markets, or include Las Vegas as part of a national/international tour. These can include one-off sporting events, tournaments, and touring concerts. Examples of these are briefly analyzed here in order to demonstrate the draw of Las Vegas as an events market and to identify how these events perform locally compared to the same, or similar, events in other markets.

Professional Sporting Events

- **NBA preseason games** – the NBA typically brings one to two preseason games in Las Vegas. These games have recently included the Los Angeles Lakers or Clippers and another West Coast team, and have been held at multiple arenas. The games and their attendance are summarized below, for the last four years (not including 2011, which was canceled due to the league's work stoppage).

Table 20 – Preseason NBA Attendance in Las Vegas

Season	Teams	Location	Attendance
2013	Sac-LAL	MGM	10,188
		MGM	9,535
2012	Den-LAC	Mandalay Bay	6,748
	Sac-LAL	T&M	17,992
2010	Sac-LAL	T&M	15,134
Average			**11,919**

Source: AECOM research

- **NHL preseason games** – with the exception of 2004 and 2012 (due to work stoppages) the Los Angeles Kings have played at least one preseason game at the MGM Grand Garden Arena (typically against the Colorado Avalanche). With a reduced hockey capacity of slightly less than 12,000, the game (known as "Frozen Fury") has sold out every year. In 2013, the Kings extended their agreement with MGM through 2016.

  The NHL also holds its NHL Awards in Las Vegas. This June, for the event will be held at the Encore Theater at Encore at Wynn Las Vegas, which will be the sixth year the event will be held in Las Vegas. The event was previously held at The Pearl.

- **MLB spring training games** – for many years, two spring training games have been held at Cashman Field per year. For the last ten years, the Chicago Cubs have been part of "Big League Weekend." Recent attendance for these games, compared to all spring training games, is shown below.

Table 21 – Spring Training Attendance in Las Vegas

	Game 1	Game 2	Overall MLB Spring Training Avg.
2014 - Cubs/NYM	9,106	10,408	n/a
2013 - Cubs/TX	9,005	8,802	6,745
2012 - Cubs/TX	9,889	8,622	7,203
2011 - Cubs vs. Cin/LA	9,047	11,051	7,200

Source: AECOM research

- **ArenaBowl** – in 2005 and 2006, the Arena Football League's championship game, the ArenaBowl, was held at the Thomas & Mack Center. Since then, most ArenaBowls have been held at other neutral sites, as shown below.

Table 22 – ArenaBowl Attendance in Las Vegas

Year	Location	Atten.
2005	Thomas & Mack Center	10,822
2006	Thomas & Mack Center	13,476
2007	New Orleans Arena	17,056
2008	New Orleans Arena	17,244
2012	New Orleans Arena	13,648
2013	Amway Center	12,039
Average		**14,048**

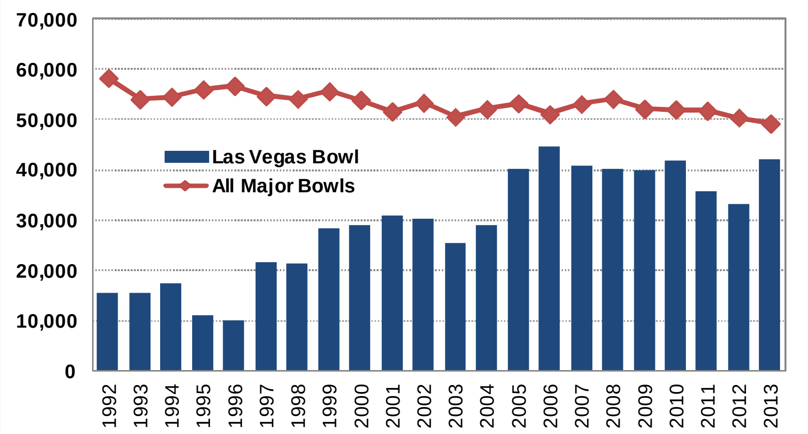
Source: AFL

Collegiate Sporting Events

- **Royal Purple Las Vegas Bowl** – since 1992, this game (with various title sponsors) has been played at Sam Boyd Stadium. In recent years, this game pitted the Mountain West champion against the fifth- or sixth-place team from the Pac-12. Beginning in 2014, the game will feature the Mountain West championship game's winner against the sixth-place Pac-12 team.

  In December 2013, the game's reported attendance was approximately 42,200, compared to the overall bowl average of 49,200 (which includes all major bowls).

Figure 22 – Las Vegas Bowl Attendance



Source: NCAA

- **College Basketball Tournaments** – four conferences' postseason tournaments are currently held in Las Vegas, since the Pac-12 moved from Los Angeles in 2013. Three of the four conferences (with the exception of the Pac-12) have both their men's and women's tournaments in Las Vegas. Total tournament attendance for the last 11 years is shown below, with tournaments held in Las Vegas highlighted.

Table 23 – Conference Basketball Tournament Attendance in Las Vegas

	Pac-10/Pac-12 (Men)	
	Avg. Atten.	Location
2004	15,032	LA
2005	15,537	LA
2006	14,960	LA
2007	16,895	LA
2008	16,362	LA
2009	15,490	LA
2010	12,454	LA
2011	11,210	LA
2012	8,938	LA
2013	10,625	MGM
2014	11,949	MGM

	WAC		
	Avg. Atten. (Men)	Avg. Atten. (Women)	Location
2004	6,048	n/a	Fresno
2005	3,921	n/a	Reno
2006	7,715	n/a	Reno
2007	9,930	n/a	Las Cruces
2008	7,390	3,034	Las Cruces
2009	5,258	1,460	Reno
2010	4,469	1,659	Reno
2011	3,519	n/a	Orleans
2012	1,871	691	Orleans
2013	1,837	988	Orleans
2014	1,284	668	Orleans

	WCC		
	Avg. Atten. (Men)	Avg. Atten. (Women)	Location
2004	4,250	n/a	Santa Clara
2005	4,500	n/a	Santa Clara
2006	4,500	n/a	Spokane
2007	5,060	n/a	Portland
2008	4,499	n/a	San Diego
2009	5,100	n/a	Orleans
2010	7,845	n/a	Orleans
2011	7,781	2,574	Orleans
2012	7,070	2,323	Orleans
2013	4,461	7,896	Orleans
2014	7,896	7,793	Orleans

	MWC		
	Avg. Atten. (Men)	Avg. Atten. (Women)	Location
2004	8,322	3,293	Denver
2005	8,974	4,145	Denver
2006	7,459	3,225	Denver
2007	10,984	6,509	T&M
2008	10,380	5,832	T&M
2009	9,522	4,480	T&M
2010	12,002	4,321	T&M
2011	13,983	4,691	T&M
2012	12,625	4,363	T&M
2013	12,826	4,122	T&M
2014	10,535	5,013	T&M

Source: NCAA, individual conferences, AECOM

While many factors can influence attendance of a conference tournament, the Pac-12's attendance has increased since arriving in Las Vegas in 2013, compared to its last year in Los Angeles. Three of the four sessions in 2014 sold out (12,916), but this capacity is much lower than that of the Staples Center in Los Angeles, so attendance cannot match Los Angeles' levels.

At the Orleans Arena, both men's and women's attendance is relatively low for the WAC tournament; however, the WCC has approached or reached sellouts for both the men's and women's tournaments in recent years.

At T&M, the MWC tournaments' attendance has been relatively consistent for both men (approximately 10,000 to 14,000) and women (approximately 4,000 to 6,000).

Las Vegas also hosted two preseason men's tournaments in 2013 – the Las Vegas Invitational and the Las Vegas Classic – and one women's tournament (the Duel in the Desert). The two men's tournaments were held at Orleans Arena, and the women's tournament was held at Cox Pavilion. Attendance for these tournament's sessions generally ranged from 2,200 t o 4,500 for men's games, and less than 1,000 for women's games.

In addition to these, the new CBS Sports Classic recently announced that it will be held in Las Vegas in 2016, although a facility has not yet been announced. The inaugural event will be held at Chicago's United Center this fall, followed by the Barclays Center in Brooklyn in 2015. The four participating teams are UCLA, Kentucky, North Carolina, and Ohio State.

Las Vegas-Specific Special Events

Las Vegas also hosts many other events that are unique to the city. Some of these are described below.

- **Boxing and MMA** – professional boxing and mixed-martial arts events are held in many cities across the country; however, there is a uniquely strong connection to Las Vegas for these events (despite the relatively poor quality of the MGM Grand Garden Arena and Mandalay Bay Events Center, the two primary destinations). In general, the largest and highest-profile boxing matches and UFC events are typically held at casino-based facilities in Las Vegas. According to Scarborough USA research, the Las Vegas metro area is among the country's top ten in terms of interest in pro boxing and UFC.

  The following table lists the boxing, MMA, and kickboxing events sanctioned by the Nevada Athletic Commission to be held throughout the state in 2014.

Table 24 – 2014 Boxing, MMA, and Kickboxing Events in Las Vegas

BOXING		
1/26	Hard Rock	Las Vegas
2/2	Cosmopolitan	Las Vegas
2/9	Eldorado	Las Vegas
3/1	Eldorado	Las Vegas
3/2	Hard Rock	Las Vegas
3/30	Mandalay Bay	Las Vegas
4/12	Treasure Island	Las Vegas
5/3	Cosmopolitan	Las Vegas
5/4	MGM	Las Vegas
6/8	Hard Rock	Las Vegas
7/12	Texas Station	N. Las Vegas
7/19	Hard Rock	Las Vegas
8/24	Churchill Cty. Fairgrounds	Fallon
8/24	Sports Center of LV	Las Vegas
9/12	MGM	Las Vegas
9/14	MGM	Las Vegas
10/11	Thomas & Mack	Las Vegas
10/12	Thomas & Mack	Las Vegas
12/6	Sam's Town	Las Vegas

MMA		
2/2	Mandalay Bay	Las Vegas
4/13	Mandalay Bay	Las Vegas
5/25	MGM	Las Vegas
6/14	Hard Rock	Las Vegas
7/6	MGM	Las Vegas
11/16	MGM	Las Vegas
11/30	Mandalay Bay	Las Vegas
12/28	MGM	Las Vegas

KICKBOXING		
1/15	Hard Rock	Las Vegas
3/15	Hard Rock	Las Vegas
7/26	Hard Rock	Las Vegas
9/20	D Hotel	Las Vegas
9/28	Tropicana	Las Vegas
11/1	Hard Rock	Las Vegas
11/2	Riviera	Las Vegas

Source: Nevada Athletic Commission

A total of 11 events will be held at the Garden Arena and Mandalay Bay this year.

In order to show the scale of events that have been held in Las Vegas, the two following tables show the 35 largest boxing and MMA events that have been held in Las Vegas, by gross ticket sales.

Table 25 – Highest-Grossing Boxing Matches in Las Vegas

	MAIN EVENT	Location	Date	Paid Atten.	Gross Ticket Sales	Avg. Ticket Price
1	FLOYD MAYWEATHER JR vs. SAUL CANELO ALVAREZ	MGM	9/14/2013	16,146	$20,003,150	$1,239
2	FLOYD MAYWEATHER JR vs. OSCAR DE LA HOYA	MGM	5/5/2007	15,432	$18,419,200	$1,194
3	LENNOX LEWIS vs. EVANDER HOLYFIELD II	Thomas & Mack	11/13/1999	17,078	$16,860,300	$987
4	EMMANUEL PACQUIAO vs. OSCAR DE LA HOYA	MGM	12/6/2008	14,468	$14,380,300	$994
5	EVANDER HOLYFIELD vs. MIKE TYSON II	MGM	6/28/1997	16,279	$14,277,200	$877
6	EVANDER HOLYFIELD vs. MIKE TYSON I	MGM	11/9/1996	16,103	$14,150,700	$879
7	MIKE TYSON vs. PETER MC NEELEY	MGM	8/19/1995	16,113	$13,965,600	$867
8	FELIX TRINIDAD vs. OSCAR DE LA HOYA	Mandalay Bay	9/18/1999	11,184	$12,949,500	$1,158
9	BERNARD HOPKINS vs. OSCAR DE LA HOYA	MGM	9/18/2004	15,672	$12,782,650	$816
10	FLOYD MAYWEATHER JR vs. MIGUEL COTTO	MGM	05/05/12	14,612	$12,000,150	$821
11	EMMANUEL PACQUIAO vs. JUAN MANUEL MARQUEZ III	MGM	11/12/2011	15,498	$11,648,300	$752
12	JOE CALZAGHE vs. BERNARD HOPKINS	Thomas & Mack	4/19/2008	14,345	$11,636,400	$811
13	FLOYD MAYWEATHER JR vs. SHANE MOSLEY	MGM	5/1/2010	14,038	$11,032,100	$786
14	JUAN MANUEL MARQUEZ vs. EMMANUEL PACQUAIO IV	MGM	12/8/2012	15,403	$10,888,900	$707
15	MIKE TYSON vs. FRANK BRUNO II	MGM	3/16/1996	16,143	$10,673,700	$661
16	FLOYD MAYWEATHER JR vs. RICKY HATTON	MGM	12/8/2007	15,488	$10,393,950	$671
17	FLOYD MAYWEATHER JR vs. ROBERT GUERERRO	MGM	5/4/2013	14,258	$9,922,350	$696
18	SHANE MOSLEY vs. OSCAR DE LA HOYA	MGM	9/13/2003	16,074	$9,840,000	$612
19	FLOYD MAYWEATHER vs. VICTOR ORTIZ	MGM	9/17/2011	13,364	$9,000,000	$673
20	EMMANUEL PACQUIAO vs. SHANE MOSLEY	MGM	5/7/2011	15,422	$8,882,600	$576
21	OSCAR DE LA HOYA vs. FERNANDO VARGAS	Mandalay Bay	9/14/2002	10,984	$8,871,300	$808
22	EMMANUEL PACQUIAO vs. MIGUEL ANGEL COTTO	MGM	11/14/2009	15,470	$8,847,550	$572
23	EMMANUEL PACQUIAO vs. RICHARD HATTON	MGM	5/2/2009	15,368	$8,832,950	$575
24	OSCAR DE LA HOYA vs. RICARDO MAYORGA	MGM	5/6/2006	12,276	$7,636,000	$622
25	OSCAR DE LA HOYA vs. JULIO C. CHAVEZ I	Caesars Palace	6/7/1996	14,738	$7,579,100	$514
26	LENNOX LEWIS vs. HASIM RAHMAN	Mandalay Bay	11/17/2001	9,830	$7,537,400	$767
27	FELIX TRINIDAD vs. FERNANDO VARGAS	Mandalay Bay	12/2/2000	9,309	$7,486,400	$804
28	FELIX TRINIDAD vs. DAVID REID	Caesars Palace	3/3/2000	9,584	$7,329,500	$765
29	MIKE TYSON vs. FRANCOIS BOTHA	MGM	1/16/1999	10,221	$7,055,800	$690
30	FLOYD MAYWEATHER JR vs. JUAN MANUEL MARQUEZ	MGM	9/19/2009	12,009	$6,865,250	$572
31	EVANDER HOLYFIELD vs. JAMES DOUGLAS	Mirage	10/25/1990	10,117	$6,546,441	$647
32	ROY JONES JR vs. JOHN RUIZ	Mirage	3/1/2003	11,490	$6,526,350	$568
33	LENNOX LEWIS vs. DAVID TUA	Mandalay Bay	11/11/2000	10,809	$6,508,500	$602
34	RAY LEONARD vs. THOMAS HEARNS II	Caesars Palace	6/12/1989	12,064	$6,468,600	$536
35	RAY LEONARD vs. ROBERTO DURAN	Mirage	12/7/1989	11,904	$6,448,700	$542

Source: Nevada Athletic Commission, AECOM

Table 26 – Highest-Grossing MMA Events in Las Vegas

	MAIN EVENT	Location	Date	Paid Atten.	Gross Ticket Sales	Avg. Ticket Price
1	ANDERSON DA SILVA vs. CHAEL SONNEN	MGM	7/7/2012	13,600	$6,901,655	$507
2	CHRIS WEIDMAN vs. ANDERSON DA SILVA	MGM	12/28/2013	14,574	$6,238,793	$428
3	GEORGES ST PIERRE vs. JOHNY HENDRICKS	MGM	11/16/2013	13,621	$5,759,350	$423
4	CHUCK LIDDELL vs. TITO ORTIZ II	MGM	12/30/2006	12,191	$5,397,300	$443
5	BROCK LESNAR vs. FRANCISCO MIR	Mandalay Bay	7/11/2009	9,764	$5,101,740	$523
6	GEORGES ST. PIERRE vs. MATT HUGHES	Mandalay Bay	12/29/2007	9,704	$4,994,050	$515
7	CHRIS WEIDMAN vs. ANDERSON DA SILVA	MGM	07/06/13	10,157	$4,826,450	$475
8	BROCK LESNAR vs. RANDY COUTURE	MGM	11/15/2008	10,845	$4,793,675	$442
9	QUINTON JACKSON vs. CHUCK LIDDELL	MGM	5/26/2007	13,224	$4,304,740	$326
10	GEORGES ST. PIERRE vs. B.J. PENN	MGM	1/31/2009	13,622	$4,290,020	$315
11	BROCK LESNAR vs. SHANE CARWIN	MGM	7/3/2010	9,218	$4,053,990	$440
12	RASHAD EVANS vs. QUINTON JACKSON	MGM	5/29/2010	13,295	$3,895,125	$293
13	B.J. PENN vs. SEAN SHERK	MGM	5/24/2008	13,448	$3,732,000	$278
14	ANDERSON DA SILVA vs. VITOR BELFORT	Mandalay Bay	2/5/2011	9,667	$3,605,725	$373
15	RASHAD EVANS vs. FORREST GRIFFIN	MGM	12/27/2008	9,701	$3,468,440	$358
16	CHUCK LIDDELL vs. RANDY COUTURE III	MGM	2/4/2006	10,301	$3,382,400	$328
17	TIM SYLVIA vs. ANDREI ARLOVSKI	Mandalay Bay	7/8/2006	9,999	$3,350,773	$335
18	FORREST GRIFFIN vs. QUINTON JACKSON	Mandalay Bay	7/5/2008	9,630	$3,350,730	$348
19	RANDY COUTURE vs. GABRIEL GONZAGA	Mandalay Bay	8/25/2007	9,622	$3,307,790	$344
20	CAIN VELASQUEZ vs. JUNIOR DOS SANTOS ALMEIDA	MGM	12/29/12	10,590	$3,286,025	$310
21	LYOTO MACHIDA vs. RASHAD EVANS	MGM	5/23/2009	9,550	$3,265,450	$342
21	CHUCK LIDDELL vs. RENATO SOBRAL	Mandalay Bay	8/26/2006	8,954	$3,040,880	$340
23	FORREST GRIFFIN vs. TITO ORITZ	Mandalay Bay	11/21/2009	6,631	$3,003,250	$453
24	ANDERSON SILVA vs. TRAVIS LUTTER	Mandalay Bay	2/3/2007	8,700	$2,767,130	$318
25	QUINTON JACKSON vs. MATT HAMILL	MGM	5/28/2011	7,470	$2,577,250	$345
26	CHUCK LIDDELL vs. RANDY COUTURE II	MGM	4/16/2005	12,643	$2,575,450	$204
27	ANTONIO NOGUEIRA vs. TIM SYLVIA	Mandalay Bay	2/2/2008	7,167	$2,437,890	$340
28	JOSE ALDO OLIVEIRA JR. vs. FRANK EDGAR	Mandalay Bay	02/02/13	7,136	$2,437,150	$342
29	CARLOS CONDIT vs. NICHOLAS DIAZ	Mandalay Bay	2/4/2012	6,727	$2,389,975	$355
30	CHUCK LIDDELL vs. JEREMY HORN	MGM	8/20/2005	11,634	$2,336,550	$201
31	RANDY COUTURE vs. MARK COLEMAN	Mandalay Bay	2/6/2010	7,432	$2,273,000	$306
32	FRANK EDGAR vs. B GRAY MAYNARD	MGM	1/1/2011	13,947	$2,174,780	$156
33	FEDOR EMALYANENKO vs. MARK COLEMAN	Thomas & Mack	10/21/2006	8,079	$2,056,444	$255
34	DAN HENDERSON vs. WANDERLEI SILVA	Thomas & Mack	2/24/2007	8,334	$2,033,098	$244
35	RICHARD FRANKLIN vs. NATHAN QUARRY	MGM	11/19/2005	9,995	$1,986,600	$199

Source: Nevada Athletic Commission, AECOM

Of the top 70 events, 60 have been held at MGM or Mandalay Bay. The average ticket price for a top boxing match can approach or exceed $1,000, but is typically less than $500 for MMA. The average attendance for these 70 events is approximately 12,000, and is higher for boxing (13,700) than for MMA (10,300).

- **National Finals Rodeo** – the ten-day, ten-session NFR is held at the Thomas & Mack Center every December. The event generally attracts more than 150,000 people and has sold out 270 consecutive sessions. The event recently committed to Las Vegas through 2024, but could potentially be held at other facilities.
- **Music Festivals** – Las Vegas hosts multiple outdoor music festivals:
  - *Life is Beautiful* – the inaugural Life is Beautiful festivals was held on a 15-block area of downtown in 2013, with nearly 90 acts over two days. In 2014, the festival will be held in late October and is expanding from two days to three.

- *Electric Daisy Carnival* – is currently the city's largest music festival, and the world's largest electronic music festival. While EDC is held in multiple cities in the US and abroad, the Las Vegas version is held at the Las Vegas Motor Speedway and attracts more than 100,000 people per day over three days.
- *Party for a Cause* – this festival is held in association with the Academy of Country Music Awards. In 2014, the event was held at The LINQ, which allowed it grow from its previous location at The Orleans. However, in 2015, the awards show and festival will be held in Arlington, Texas, due to the significantly larger capacities of AT&T Stadium and Globe Life Park.
- *Extreme Thing Sports & Music Festival* – is a one-day sports and music festival held in Las Vegas' Desert Breeze Park in March. The event includes wrestling, skateboarding, and BMX riding competitions, as well as 24 bands and ten DJs. Attendance is approximately 15,000 to 20,000.
- *Rock in Rio USA* – in May 2015, the famed Rock in Rio festival is expected to come to the Las Vegas Strip; it had previously only been held in Rio, Madrid, and Lisbon. A partnership that includes MGM plans to build a 33-acre open-air music venue between Circus Circus at Sahara Avenue for what could be one of the world's largest music festivals. According to reports, the four-day event could attract 80,000 people per day.

- **Residencies** – many smaller theaters in Las Vegas sign high-profile performers to long-term contracts for shows to be held over multiple weeks or years, in many cases on a nearly nightly basis. Recent and current examples include:
  - *Musicians*: Bette Midler (Colosseum), Boyz II Men (Mirage), Britney Spears (Planet Hollywood), Carlos Santana (The Joint), Celine Dion (Colosseum), Cher (Colosseum), Deadmau5 (Hakkasan), Elton John (Colosseum), Rod Stewart (Colosseum), Shania Twain (Colosseum),
  - *Entertainment*: among others, Cirque du Soleil has long-term engagements of many of its shows in Las Vegas, including Ka (MGM), the Beatles LOVE (Mirage), Mystere (Treasure Island), and others,
  - *Comedians*: recent residencies in Las Vegas include Tim Allen (The Venetian in 2011 and 2012), David Spade (Planet Hollywood in 2008 and The Venetian in 2011 and 2013), Andrew Dice Clay (The Palazzo, Riviera, LVH, and Hard Rock in recent years),
  - *Magicians*: David Copperfield (MGM), Penn & Teller (Rio), and Criss Angel (Luxor).
- **NBA Summer League** – the NBA currently has two summer league locations – Las Vegas and Orlando (while the Las Vegas event is run by the NBA, the Orlando league is organized by the

Magic). Summer leagues are generally an opportunity for rookies, reserves, and free agents to gain experience and exposure.

The Las Vegas Summer League started in 2004 with six NBA teams playing a total of 13 games, but now 24 teams participate and play three games each. All games in Las Vegas are held at Cox Pavilion or the Thomas & Mack Center. This past summer, total attendance was nearly 72,000, which exceeded the previous record, set in 2013, by 16 percent.

- **Awards Shows** – in addition to the NHL Awards, other awards shows held in Las Vegas include the Academy of Country Music (ACM) Awards and the Billboard Music Awards, both of which are held at the MGM. However, the ACM Awards will be in Dallas in 2015.

Stakeholder Feedback

The following summarizes feedback received from various local and industry stakeholders that were interviewed for this study. This included managers of local entertainment facilities, promoters of events that are held locally and nationally, public officials, hoteliers, and others.

Downtown Las Vegas and a Downtown Stadium

- Attending an event downtown can be easier than at the Strip, due to factors such as cost of parking and congestion on the Strip.
- The Strip is currently the center of activity in Las Vegas, and downtown hotels are not comparable to the Strip's.
- The downtown area is significantly improved, with more activities and a feeling of safety. As it continues to improve and gain residents, it should become easier to attract event attendees. While Los Angeles is a significantly larger market, the growth of its downtown (and the success of the Staples Center and its other event facilities) can be a model for Las Vegas.
- The Life is Beautiful festival showed that downtown can attract and host a major event.
- A facility that is not directly associated with an individual casino could potentially have the support of many casinos. However, casinos often want to create their own entertainment options onsite in order retain the associated spending. But because the downtown hotels do not currently have significant event/entertainment facilities, a downtown stadium would not directly compete with these properties.

The Local Market for Events and Entertainment

- The outdoor music festival market in Las Vegas is currently very competitive.

- Although downtown hotels sold out for last year's Life is Beautiful, the downtown hoteliers reportedly were unhappy with the event taking its customers off-property and away from Fremont Street for two full consecutive days and nights.
- In general, casinos are more likely to support a citywide event that benefits everyone, rather than smaller events that are seen as more competitive with their own offerings. This is expected to apply to a potential professional sports team as well.
- In Las Vegas, gaming and hotel room revenues are down, and visitors are instead spending more money on entertainment.
- Las Vegas has a small corporate market, outside of the casinos and a limited number of large corporations.

Existing and Planned Facilities in Las Vegas

- Sam Boyd Stadium can be a difficult facility to host an event in, and in particular televised events. The stadium is not hard wired and all equipment needs to be brought to the facility.
- SBS is not well-located. This is particularly the case for events that draw tourists (who typically stay on the Strip); as many as 75 percent of attendees at truck events at SBS are non-local.
- The event field at SBS is too small for a regulation soccer match and smaller than ideal for major truck events. For Monster Jam, a number of rows closest to the field have to be blocked off for safety reasons.
- Truck events at SBS could sell more tickets in a larger facility (such as the potential UNLV stadium).

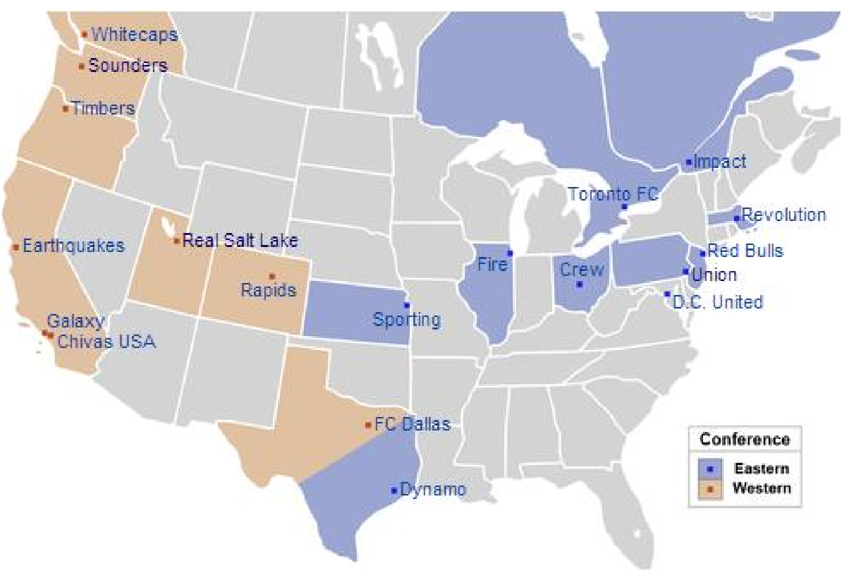
4. MLS and Other Leagues' Overview

Major League Soccer (MLS) is currently in the midst of its 19th season. MLS is the US's preeminent professional soccer league, and is structured as a single-entity league, and has grown to its current size of 19 franchises across the US and Canada (with four expansion franchises, in Orlando, New York, Atlanta, and Miami, to join the league in the next few years). Its schedule consists of 34 games that are played from April through November. And in addition to the league schedule, teams also compete against teams from around the world, in events such as the US Open Cup, the Canadian Championship, and the CONCACAF Champions League.

MLS was created as a result of the 1994 World Cup that was held across the US and the granting of "Division One" status to the league by FIFA, the organizing body for international soccer. The league's first season took place in 1996, with ten teams. During its initial years, MLS gradually expanded, although teams were also contracted for various reasons.

The following map shows the location of the league's 19 current franchises, not including the planned expansions to New York, Orlando, and Miami.

Figure 23 – Current MLS Team Map



Because of the unique structure of MLS and its relatively short history that has included – and continues to include – significant changes, various characteristics of the league are described in more detail below.

League Structure

In contrast to other major professional sports leagues in the US, MLS is organized as a single-entity league; as a result, players contract with and are paid by the league itself. In addition, the central league office is responsible for stadium leases, national partnerships, and other leaguewide matters. However, each franchise has an ownership/operator group that manages its team's operations and shares revenues with the league. Franchises are generally responsible for team-specific expenses (aside from player payroll) and can contract for local partnerships. However, all leaguewide and national partnerships are created through Soccer United Marketing (SUM), which was created by the league in 2002. SUM holds various commercial rights associated with MLS and other soccer leagues and properties. Each individual franchise owns an individual unit in the league and SUM.

Earlier in the league's history, the vast majority of its teams were owned by just two operators – AEG and Hunt Sports. However, today, virtually every team has its own (often locally-based) operator group, many of which also own other major sports properties, such as Stan Kroenke, the Hunt Sports Group, AEG, Robert Kraft, and Maple Leaf Sports and Entertainment.

The following list summarizes the sharing of revenues and expenses between teams and the league (net of any separate sharing arrangements with stadium owners). Over time, the sharing arrangement has changed to further incentive teams to generate revenues that they retain.

- **Ticket sales** – 33.5 percent is currently shared with the league.
- **Stadium revenues** (such as concessions, parking, etc.) – are retained by teams.
- **Sponsorships** –
    - Local sponsorships and media, as well as jersey sponsorships, are retained by the teams.
    - National media and sponsorships are league revenues.
- **Expenses** – aside from player salaries (with the exception of designated players), all expenses are the responsibility of teams.

In addition to running its local franchise, investor/operators are also often create youth development academies in their markets. These academies create an organized and well-funded system to develop future soccer players under the auspices of each MLS franchise. As an additional incentive to young soccer players, MLS teams can retain certain players that are developed through their academies. Also, MLS has a partnership with USL PRO, which includes affiliations between MLS clubs and USL PRO clubs.

Historical Growth

MLS' growth was not always smooth. The league reportedly lost more than $350 million within its first ten years, and had to contract two teams. However, events such as the United States' men's national team's performance in the 2002 World Cup, the signing of players who had previously only played in Europe, and others, the league has grown in size and popularity. As of 2011, average attendance at MLS games actually exceeded that of NBA and NHL games for the first time, and attendance has only increased since. Earlier this year, MLS announced that an expansion franchise will begin playing in a new stadium in Miami as soon as 2017. Between now and then, teams in New York (the market's second), Atlanta, and Orlando will also join the league.

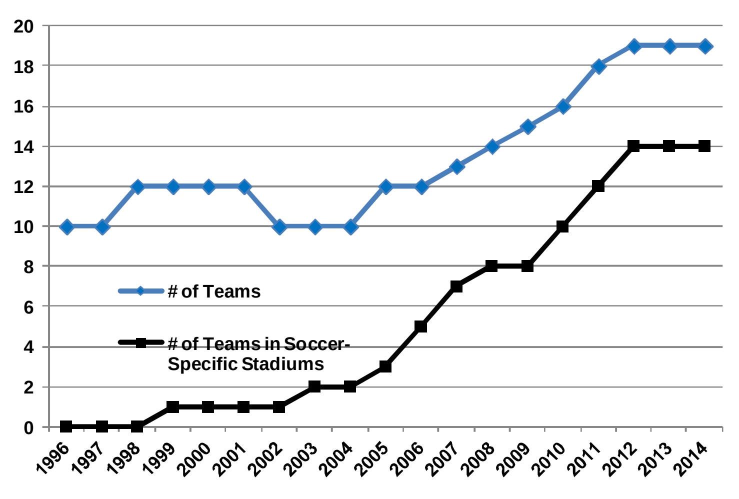
An additional factor in MLS' growth that has perhaps been as important as any is the development of soccer-specific stadiums. Teams originally primarily played as tenants in NFL stadiums that were not conducive to the smaller crowds of the new league, which created financial and perception issues. In 1999, the league's first soccer-specific stadium, Crew Stadium, was built in Columbus, and by 2008, the majority of MLS teams were in such stadiums, which are much smaller than NFL stadiums and are designed primarily for soccer usage.

The strength of MLS, and its growth, can also be seen in the value that the league places on its franchises. When the league first started, franchises were sold for $5 million; a year ago, the ownership group of the New York expansion franchise paid a $100 million expansion fee. Another sign of the league's growth is the value of its television contracts. According to recent reports, the league's next deals (with ESPN, Fox, and Univision) will pay the league $90 million per year through 2022, compared to the current deals that generate $15 million per year.

Franchise Expansion and Stadium Development

The number of MLS teams and soccer-specific stadiums for each season are shown below.

Figure 24 – Number of MLS Teams and Soccer-Specific Stadiums



Source: MLS, AECOM

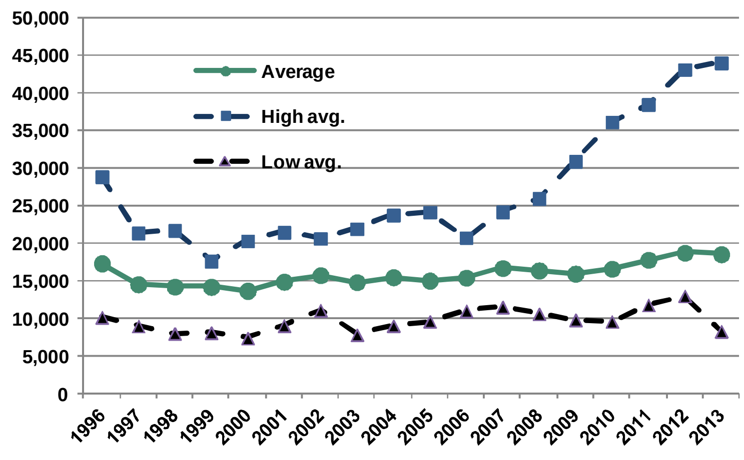
While both the number of teams and the number of soccer-specific stadiums have increased significantly since 1996, the growth of stadium development has accelerated more quickly (as shown by the narrowing gap in the graph), and since 2012, 14 of the league's 19 teams have played in soccer-specific stadiums.

Next year, the league will add another new soccer-specific stadium that will replace a non-soccer-specific facility (in San Jose), although the expansion teams in Orlando and New York will temporarily play in non-soccer-specific facilities until their new stadiums are built.

Attendance

The following chart shows the league's average attendance since 1996, as well as the lowest and highest team average, in order to show the range of team performance.

Figure 25 – MLS Attendance Range



Source: MLS

As the table shows, average attendance has generally remained close to 15,000 per year but has generally increased over time. In 2012 and 2013, the league exceeded 18,000 for the first time, which represents a significant increase over 2000's low of less than 14,000. The addition of the Seattle Sounders in 2009 created attendance levels that the league had never seen (no team had averaged 30,000 per year, which is the Sounders' worst performance that has now been exceeded by the team by more than 40 percent). The Sounders have led the league in attendance since their inception in 2009; the Los Angeles Galaxy led the league in the previous six seasons, with annual averages ranging from approximately 21,000 to 24,000.

The following chart shows team-by-team annual attendance for each of the league's completed seasons.

Figure 26 – Annual Team-by-Team MLS Attendance

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Average
CHI			17,886	16,016	13,387	16,388	12,922	14,005	17,153	17,238	14,111	16,490	17,034	15,487	15,814	14,274	16,409	15,228	15,641
CHV (LA)										17,080	19,840	14,305	15,114	15,725	14,576	14,830	13,056	8,366	15,566
COL	10,213	11,835	14,812	14,029	12,580	16,481	20,690	16,772	14,195	16,638	12,056	14,749	13,659	13,018	14,329	14,838	15,175	15,440	14,741
CLB	18,950	15,043	12,274	17,696	15,451	17,511	17,429	16,250	16,872	12,916	13,294	15,230	14,662	14,175	14,642	12,185	14,397	16,080	15,234
DAL	16,011	9,678	10,947	12,211	13,102	12,574	13,122	7,906	9,008	11,189	14,982	15,154	13,024	12,440	10,815	12,861	14,199	15,373	12,157
DC	15,262	16,698	16,007	17,419	18,580	21,518	16,519	15,565	17,232	16,664	18,251	20,967	19,835	15,585	14,532	15,181	13,846	13,646	17,039
HOU											18,935	15,883	16,939	17,624	17,310	17,694	21,015	19,923	17,914
KC	12,878	9,058	8,072	8,183	9,112	9,112	12,255	15,573	14,816	9,691	11,083	11,586	10,686	10,053	10,287	17,810	19,404	19,708	11,745
LA	28,916	20,626	21,784	17,632	20,400	17,387	19,047	21,983	23,809	24,204	20,814	24,252	26,009	20,827	21,437	23,335	23,136	22,152	22,094
MIA			10,284	8,689	7,460	11,177													9,403
MON																	22,772	20,602	21,678
NE	19,205	21,423	19,187	16,795	15,463	15,654	16,927	14,641	12,226	12,525	11,786	16,787	17,580	12,427	12,987	13,222	14,001	14,844	15,461
NY	23,898	16,899	16,519	14,706	17,621	20,806	18,155	15,822	17,195	15,077	14,570	16,530	15,928	12,744	18,441	19,691	18,281	19,461	17,228
PHI															19,254	18,259	18,053	17,867	18,522
POR																18,827	20,438	20,674	19,633
SLC										18,037	16,366	15,960	16,179	17,831	17,095	17,594	19,087	19,218	17,269
SJ	17,232	13,597	13,653	14,959	12,460	9,635	11,150	10,466	13,001	13,037			13,856	10,329	9,659	11,858	13,293	12,765	12,546
SEA														31,203	36,173	38,496	43,144	44,038	37,254
TB	11,679	11,333	10,312	13,106	9,452	10,479													11,060
TOR												20,130	20,120	20,344	20,453	20,267	18,155	18,131	19,912
VAN																20,412	19,475	20,038	19,444
Average	**17,406**	**14,619**	**14,312**	**14,282**	**13,756**	**14,961**	**15,822**	**14,898**	**15,559**	**15,108**	**15,504**	**16,770**	**16,460**	**16,037**	**16,675**	**17,872**	**18,807**	**18,608**	**16,262**

Team was not active

First year of a new soccer-specific stadium

Source: MLS, AECOM

As previously shown, the league's average annual attendance has ranged from approximately 13,800 to 18,800 since 1996, with an overall average of more than 16,000.

- In teams' first year in a new, soccer-specific stadium, their average attendance was approximately 18,300, which represents a 28-percent increase over their previous year, on average. In the second through fifth years of a new stadium, attendance remained relatively stable from the initial year but decreased slightly.
- Since 2005, expansion teams (regardless of their stadium situation) have averaged just under 21,000 attendees per game (20,978) in their inaugural year. Over the following four years, attendance increased by 10 percent, to more than 23,000.

  However, because of the limited number of teams in this sample (six), the results are skewed by the inclusion of the Seattle Sounders. Without the Sounders, average attendance starts at 19,500 and is 17,900 in year 5.

In addition, 17 individual games in MLS history have had an attendance of 55,000 or more. Many of these games were held at Seattle's CenturyLink Field, home of the Sounders, and others were held at NFL and college stadiums across the country. Also, a number of MLS doubleheaders with international matches have drawn 55,000 to more than 90,000 attendees.

Soccer Interest

Earlier this year, Scarborough Research completed a national survey that gauged interest in MLS. The following table summarizes the top 40 markets whose residents consider themselves "somewhat interested" or "very interested" in MLS. (Current MLS markets are shown in blue, and future expansion markets are in green. Other cities that are considered to be candidates for additional expansion are in bold.)

Table 27 – Soccer Interest by Market

Rank	Market	% of Fans	Rank	Market	% of Fans
1	Seattle-Tacoma	15.7%	21	Boston	8.0%
2	Los Angeles	14.1%	22t	Hartford-New Haven, Conn.	7.9%
3	Kansas City	12.6%	***22t***	***Austin, Texas***	***7.9%***
4	Miami-Fort Lauderdale	12.5%	24	Philadelphia	7.7%
5	Harlingen-Weslaco-Brownsville-McAllen, Texas	12.2%	***25***	***San Antonio***	***7.5%***
6	El Paso, Texas	12.0%	26t	Denver	7.4%
7	Houston	11.6%	26t	Raleigh-Durham	7.4%
8	Salt Lake City	11.0%	***28t***	***Sacramento-Stockton-Modesto***	***7.2%***
9	Portland	10.6%	28t	Colorado Springs-Pueblo, Colo.	7.2%
10	Bakersfield, Calif.	10.5%	28t	Providence, R.I.-New Bedford, Mass.	7.2%
11t	San Francisco-Oakland-San Jose	10.1%	28t	Albany-Schenectady-Troy, N.Y.	7.2%
11t	Tucson, Ariz.	10.1%	28t	Chicago	7.2%
13	San Diego	9.8%	33t	Tampa-St. Petersburg	7.1%
14	Washington, D.C.	9.7%	33t	Baltimore	7.1%
15	Dallas-Fort Worth	9.5%	35	Oklahoma City	6.9%
16	New York	9.2%	***36***	***Atlanta***	***6.8%***
17	Fresno-Visalia, Calif.	9.0%	37	Columbus	6.6%
18	**Las Vegas**	**8.4%**	38	Phoenix	6.5%
19	Orlando-Daytona Beach-Melbourne, Fla.	8.2%	39	Jacksonville	6.4%
20	Albuquerque-Santa Fe, N.M.	8.1%	40	Spokane, Wash.	6.2%

Source: Scarborough Research

According to this survey, interest in MLS by Las Vegas residents is stronger, on a percentage basis, than it is in five current league markets. Overall, its rate of interest is the 18th highest in the US, and seventh-highest among markets that do not have a franchise. It is also higher than the reported interest in Austin, San Antonio, Sacramento, Atlanta, and Minneapolis (which does not rank in the top 40).

Current MLS Stadiums

This section reviews current MLS stadiums and their characteristics such as capacity, tenants, attendance, funding, construction cost, and ownership and management.

MLS Stadium Tenants, Age, Attendance and Capacity

Table 28 – MLS Stadium Characteristics

Team	Other Tenants	Venue	Stadium Type*	Year Opened	Avg. Atten., '13	MLS Capacity	Utilization
Chicago Fire	--	Toyota Park	SS	2006	15,228	20,000	76%
Chivas USA	MLS	StubHub Center	SS	2003	8,366	18,800	45%
Colorado Rapids	--	Dick's Sporting Goods Park	SS	2007	15,440	18,086	85%
Columbus Crew	--	Columbus Crew Stadium	SS	1999	16,080	20,145	80%
D.C. United	--	RFK Stadium	Non-SS	1961	13,646	19,467	70%
FC Dallas	HS Teams	Toyota Stadium	SS	2005	15,373	21,193	73%
Houston Dynamo	NWSL, NCAA FB	BBVA Compass Stadium	SS	2012	19,923	22,000	91%
Los Angeles Galaxy	MLS	StubHub Center	SS	2003	22,152	27,000	82%
Montreal Impact	--	Saputo Stadium	SS	2008	20,603	20,341	101%
New England Revolution	NFL, NCAA FB	Gillette Stadium	Non-SS	2002	14,844	22,385	66%
New York Red Bulls	--	Red Bull Arena	SS	2010	19,461	25,189	77%
Philadelphia Union	--	PPL Park	SS	2010	17,867	18,500	97%
Portland Timbers	--	Providence Park	SS	2011**	20,674	20,438	101%
Real Salt Lake	--	Rio Tinto Stadium	SS	2008	19,218	20,008	96%
San Jose Earthquakes	NCAA Soccer/FB	Buck Shaw Stadium	Non-SS	1962	12,765	10,300	124%
Seattle Sounders FC	NFL	CenturyLink Field	Non-SS	2002	44,038	38,500	114%
Sporting Kansas City	--	Sporting Park	SS	2011	19,709	18,467	107%
Toronto FC	Nat'l Rugby Team	BMO Field	SS	2010	18,131	23,000	79%
Vancouver Whitecaps FC	CFL	BC Place	Non-SS	1983	20,038	21,000	95%
AVERAGE - All				**2000**	**18,608**	**21,306**	**87%**
AVERAGE - Soccer-Specific				**2007**	**17,390**	**20,474**	**85%**

Source: AECOM research
**SS=soccer-specific*
***Opened as a baseball stadium in 1956 and was reconfigured for soccer in 2011.*

- **Tenants –** Multiple MLS franchises currently share their stadium with other tenants, such as high school and college teams. Past tenants and ongoing users of soccer-specific stadiums also include women's professional soccer teams, annual high school and NCAA championships, and college football teams.

- **Attendance –** For the 2013 MLS season, an average of more than 18,600 fans attended games. Average attendance ranged between approximately 8,000 and 44,000 fans. Not including the Seattle Sounders, teams in soccer-specific stadiums outperformed teams in non-soccer-specific stadiums (approximately 17,400 vs. 15,300 per game).

  (Also, while CenturyLink Field technically isn't a soccer-specific stadium, it was designed and built with soccer in mind.)

- **Capacity –** The capacity at MLS venues for soccer games ranges between 10,300 and 38,500. The average capacity of MLS stadiums is approximately 21,300. (While the Los Angeles Galaxy and Chivas USA both play in the StubHub Center, capacity for Chivas matches is significantly lower than for Galaxy games.)

- **Utilization –** MLS utilization rates (attendance as a percent of capacity) for the 2013 season ranged between 45 percent and over 100 percent. The average rate for the past season was 87 percent throughout the league, and 85 percent for soccer-specific facilities.

MLS Stadium Funding

Table 29 – MLS Stadium Funding

Team	Venue	Year Built	Project Cost		Funding	
			Nominal ($M)	Real, 2014 ($M)	% Public	% Private
Chicago Fire	Toyota Park	2006	$98	$115	100%	0%
Chivas USA	StubHub Center	2003	$150	$193	0%	100%
Colorado Rapids	Dick's Sporting Goods Park	2007	$131	$149	50%	50%
Columbus Crew	Columbus Crew Stadium	1999	$29	$40	0%	100%
D.C. United	RFK Stadium	1961	$24	$190	100%	0%
FC Dallas	Toyota Stadium	2005	$80	$97	52%	48%
Houston Dynamo	BBVA Compass Stadium	2012	$95	$98	32%	68%
Los Angeles Galaxy	StubHub Center	2003	$87	$112	0%	100%
Montreal Impact	Saputo Stadium	2008	$47	$52	58%	42%
New England Revolution	Gillette Stadium	2002	$325	$427	17%	83%
New York Red Bulls	Red Bull Arena	2010	$200	$217	20%	80%
Philadelphia Union	PPL Park	2010	$120	$130	58%	42%
Portland Timbers*	Providence Park	2011	$36	$38	39%	61%
Real Salt Lake	Rio Tinto Stadium	2008	$120	$132	41%	59%
San Jose Earthquakes	Buck Shaw Stadium	1962	N/A	N/A	N/A	N/A
Seattle Sounders FC	CenturyLink Field	2002	$430	$565	65%	35%
Sporting Kansas City	Sporting Park	2011	$200	$210	75%	25%
Toronto FC	BMO Field	2010	$65	$70	71%	29%
Vancouver Whitecaps FC	BC Place	1983	$126	$299	100%	0%
AVERAGE - All, New Construction		**2000**	**$136**	**$181**	**52%**	**48%**
AVERAGE - Soccer-Specific, New Construction			**$111**	**$125**	**46%**	**54%**

**Data is for renovation, not original construction.*
Source: AECOM research

- **Total Project Cost –** In real dollars, MLS' soccer-specific venues cost an average of $118 million in today's dollars to construct. This includes the renovation costs (rather than the original construction costs) of the existing structure to MLS use at Portland's Providence Park.
- **Funding Sources –** The public sector, on average, has paid 46 percent of the stadiums' cost and the private sector has paid 54 percent of the total stadium's cost (for soccer-specific stadiums).

MLS Stadium Ownership and Management

Table 30 – MLS Stadium Ownership and Management

Team	Venue	Owner	Manager: Public Owner	Manager: Team-Related Entity or Other Private Mgr.
Chicago Fire	Toyota Park	Public		x
Chivas USA	StubHub Center	Private		x
Colorado Rapids	Dick's Sporting Goods Park	Public		x
Columbus Crew	Columbus Crew Stadium	Private		x
D.C. United	RFK Stadium	Public	x	
FC Dallas	Toyota Stadium	Public		x
Houston Dynamo	BBVA Compass Stadium	Public		x
Los Angeles Galaxy	StubHub Center	Private		x
Montreal Impact	Saputo Stadium	Private		x
New England Revolution	Gillette Stadium	Private		x
New York Red Bulls	Red Bull Arena	Private		x
Philadelphia Union	PPL Park	Public		x
Portland Timbers	Providence Park	Public		x
Real Salt Lake	Rio Tinto Stadium	Private		x
San Jose Earthquakes	Buck Shaw Stadium	Public	x	
Seattle Sounders FC	CenturyLink Field	Public		x
Sporting Kansas City	Sporting Park	Private		
Toronto FC	BMO Field	Public		x
Vancouver Whitecaps FC	BC Place	Public		x

Source: AECOM research

- Of the 18 MLS stadiums, 11 are publicly owned and seven are owned by team-related and other private entities.
- Of the publicly-owned stadiums, only two are managed by the public-sector owner (and both are non-soccer-specific stadiums in which the MLS teams are tenants). All other stadiums are privately managed, generally by the team or a related entity.

MLS Team Operations

The following section examines financial metrics for MLS franchises, according to *Forbes,* following the 2013 season,

Table 31 – MLS Franchise Financial Metrics

Rank	Franchise	Value ($M)	Revenue ($M)	Operating Income ($M)
1	Seattle Sounders	$175	$48.0	$18.2
2	LA Galaxy	$170	$44.0	$7.8
3	Portland Timbers	$141	$39.1	$9.4
4	Houston Dynamo	$125	$32.6	$8.2
5	Toronto FC	$121	$30.9	$4.5
6	New York Red Bulls	$114	$28.1	($6.3)
7	Sporting Kansas City	$108	$27.7	$5.1
	Average	**$103**	**$26.0**	**$1.8**
8	Chicago Fire	$102	$24.5	($3.2)
9	FC Dallas	$97	$24.2	$0.6
10	Montreal Impact	$96	$26.2	$3.4
11	Philadelphia Union	$90	$21.4	$1.1
12	New England Revolution	$89	$17.1	$2.6
13	Vancouver Whitecaps	$86	$23.0	$0.0
14	Real Salt Lake	$85	$23.0	($0.1)
15	Colorado Rapids	$76	$18.1	($2.9)
16	San Jose Earthquakes	$75	$15.0	($4.5)
17	Columbus Crew	$73	$18.6	($1.6)
18	DC United	$71	$17.7	($2.8)
19	Chivas USA	$64	$15.0	($5.5)

Source: Forbes

- **Team Valuations –** The he average MLS franchise was valued at slightly more than $100 million. Values ranged between $64 million (Chivas USA) and $175 million (Seattle Sounders).
- **Total Revenue –** The average team generated $26 million, with a range from $15 million (Chivas USA) and $48 (Seattle).
- **Operating Income –** Operating incomes in MLS varied greatly. Ten of the 19 franchises were reportedly profitable, not including one team that broke even, and the average operating income was less than $2 million. Operating income ranged from more than $18 million in Seattle to a loss of more than $6 million (New York).

Potential Expansion and Relocation

At the 2013 MLS All-Star Game, Commissioner Don Garber announced the league's plan to expand to 24 teams by 2020. With 19 teams playing in 2014 and expansion franchises in New York in Orlando committed to joining the league in 2015, and a Miami team as soon as 2017, one additional franchise is presumably available. This section describes the planned and potential expansion markets in more detail.

(While relocation of certain teams that are underperforming or cannot secure a soccer-specific stadium is possible, the league's focus appears to be on expansion as a means for new markets to secure teams, rather than relocation.)

Committed and Potential Destinations and New Stadium Development

Orlando (Expansion Franchise)

Last November, MLS awarded the league's 21st franchise to the Orlando City Soccer Club. In March, the Orlando City Council approved a deal for a new $84-million downtown stadium that will host the expansion team. The team will play in the existing Florida Citrus Bowl Stadium in 2015 before moving into the new stadium in 2016.

According to the terms of the development deal, public funding for the stadium will consist of $20 million of tourist taxes, $20 million from the City of Orlando, and smaller contributions from neighboring cities and counties. Orlando City SC will pay $30 million towards construction and $675,000 per year for 25 years to the City; the present value of these future payments will be converted into $10 million upfront to help fund construction. The stadium will be owned and operated by the City.

The City and team are also attempting to create legislation at the state level that would make MLS franchises eligible for sales tax rebates. This could increase the project budget by $30 million, which could add approximately 1,000 seats to the stadium, expand the club level, and add a roof to cover some seats, according to reports.

Planned details of the facility are currently as follows:

- 290,000 square feet,
- A 4,000-square foot team store,
- Approximately 18,000 total seats,
- Approximately 2,500 club seats with a 4,000-square foot bar/restaurant, and
- Partial roof covering for sideline seats.

New York (Expansion Franchise)

Last May, New York City FC was awarded the league's 20th franchise, and the team (owned by Manchester City of the Premier League and the New York Yankees) will begin play in 2015. The team will be the league's first to be based in New York, as the Red Bulls play in Harrison, New Jersey.

The team is currently exploring various options for new-stadium development throughout New York City. However, a facility is not expected to be completed before 2018, and the team is expected to play in Yankee Stadium for its first three years. (The stadium will be downsized from its baseball capacity of approximately 49,600 to 34,444 for soccer.)

Atlanta (Expansion Franchise)

In April, Atlanta was awarded an MLS franchise that will begin playing in 2017. The team will be owned by Arthur Blank, who also owns the NFL's Falcons. A new, $1.2-billion retractable roof stadium is being built for the Falcons, and the MLS franchise will also play in the new 71,000-seat stadium. Although the stadium is primarily designed for NFL football and is not a soccer-specific stadium, it can be downsized to approximately 29,000 for soccer (using only lower-bowl seats).

Miami (Expansion Franchise)

A Miami-based franchise is expected to join the league within the next few years, pending plans for the development of a new soccer-specific stadium. The team's potential ownership group is led by David Beckham, who played for the Galaxy towards the end of his professional career and received an option to own an expansion team at a discounted price as part of his deal with the league. Earlier this year, Beckham and his partners announced plans to build a 25,000-seat stadium at PortMiami. However, that site has already been questioned by Miami's mayor, citing that the land can only be used for port purposes.

San Jose Earthquakes (New Stadium)

The Earthquakes, who currently play at San Jose State's Buck Shaw Stadium, are expected to move into a new soccer-specific stadium in 2015 that is currently under construction, although the facility has been delayed for multiple years. The new stadium is planned to have 18,000 seats, 12 field-level luxury suites, and 576 club seats. In late May, the team announced that all premium seating, as well as midline seating behind the team benches and the first 15 rows of seats in all sideline sections, had sold out.

DC United (Potential New Stadium)

The DC United currently play in MLS' oldest stadium, RFK Stadium in Washington. The stadium hosted the NFL's Washington Redskins until they moved to FedEx Field in nearby Maryland. The 47,000-seat facility is subpar in many respects, and its capacity is decreased to approximately 20,000 for DC United matches.

For nearly ten years, the team has been attempting to leave RFK Stadium for a new soccer-specific facility in the Washington DC/Maryland area. According to reports, the team's current focus is a site at Buzzard Point, which is at the confluence of the Anacostia and Potomac rivers in Washington.

Other Leading Potential MLS Expansion Markets

- **San Antonio** – currently the home of the Scorpions of the North American Soccer League, San Antonio has long been mentioned as a potential MLS market. The Scorpions' 8,300-seat Toyota Field was planned and built with expansion capabilities to 18,500 seats. Last year, the team's average attendance of approximately 6,900 exceeded the league average of 4,700 by nearly 50 percent, and in 2012, the Scorpions' average was 9,200 per game.

- **Austin** – earlier this year, the City of Austin passed a resolution to work with the University of Texas and the Austin Aztex (the city's semi-pro USL team) to determine whether MLS is feasible in Austin. According to reports, MLS is also researching the city's viability. Austin would likely require a new soccer-specific stadium for MLS, as the Aztex's stadium, House Park, is a 6,000-seat high school football stadium.

- **Sacramento/Elk Grove** – Sacramento's new USL team began playing this year and attracted a league record of more than 20,000 people to its first home game in April. The team is planning a new 8,000-seat stadium with an MLS-sized field. Elk Grove, a Sacramento suburb, has also been pursuing the possibility of an MLS stadium. The league has said that the Sacramento area is on its list of potential expansion markets.
- **Minneapolis** – similar to Atlanta, ownership of the NFL's Vikings has expressed interest in having an expansion MLS franchise play in its new football stadium. Separately, Minnesota United FC (the city's NASL team) has discussed the possibility of a soccer-specific stadium in downtown Minneapolis.
- **San Diego** – while few details have been publicly mentioned, MLS has said that San Diego is also a candidate for league expansion.

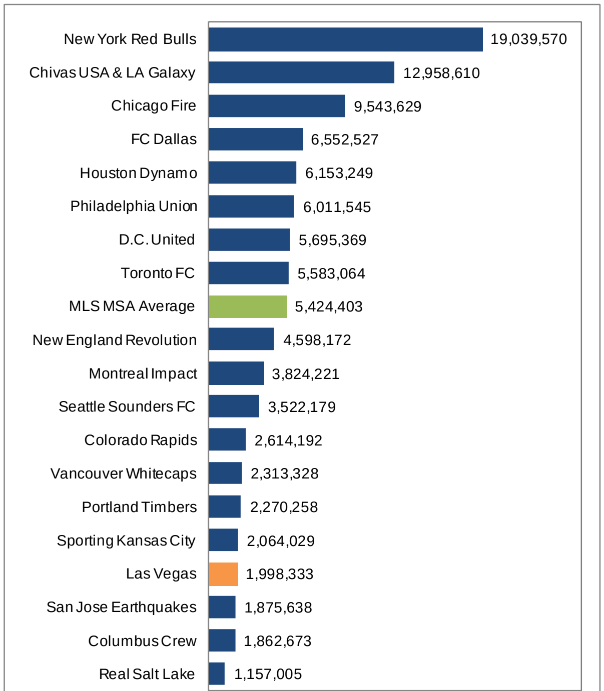
MLS Market Analysis

At the MSA and city level, several demographic metrics were analyzed for Las Vegas and existing MLS markets (there are currently 18 teams in 17 markets, with two teams in the Los Angeles market). It is important to note that these market comparisons only consider the resident market, and not tourists (Las Vegas has more domestic tourism than any other city in the U.S.)

Metro Area Comparisons

The following charts compare Las Vegas with the current MLS metro areas (not all comparable data is available for Canadian markets).

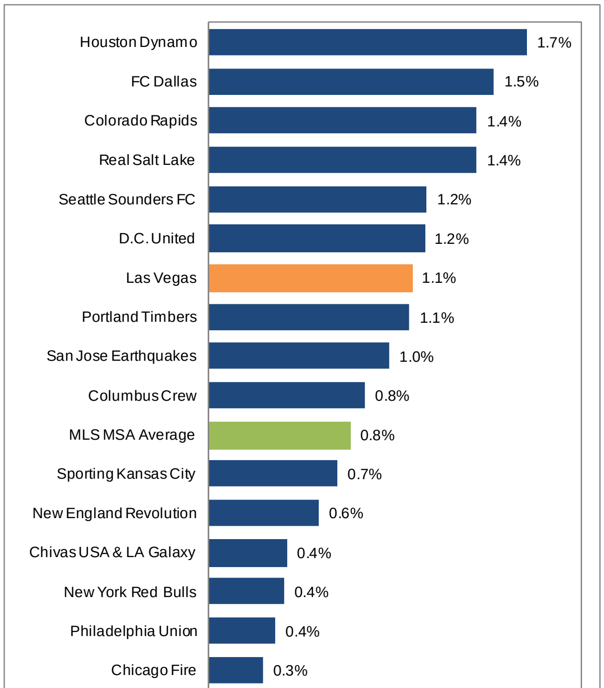
Figure 27 – 2012 MSA Population by MLS Team



Source: ESRI

The average population for MSAs with MLS teams was 5.4 million in 2012. The Las Vegas MSA would be the league's fourth-smallest market, with nearly two million residents, which compares to Kansas City and San Jose.

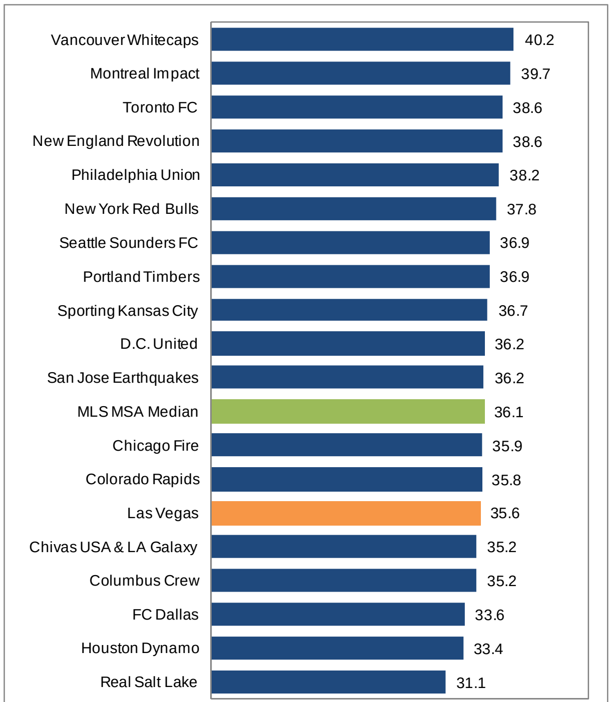
Figure 28 – 2012-17 Population Growth in MLS MSAs



Source: ESRI

Although the population of Las Vegas is smaller than most other MSAs with MLS teams, it is projected to grow at 1.1 percent per year through 2017. The league average growth rate is 0.8 percent over the same time frame.

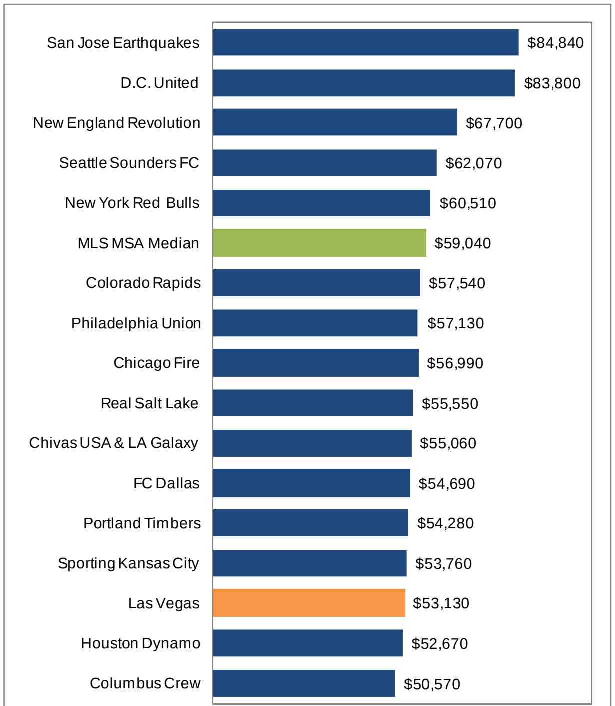
Figure 29 – 2012 Median Age in MLS MSAs



Source: ESRI

The median age of Las Vegas MSA residents was 35.6 in 2012, which was younger than the league median of 36.1. The median age in Las Vegas is comparable to the Chicago, Denver, Los Angeles, and Columbus MSAs.

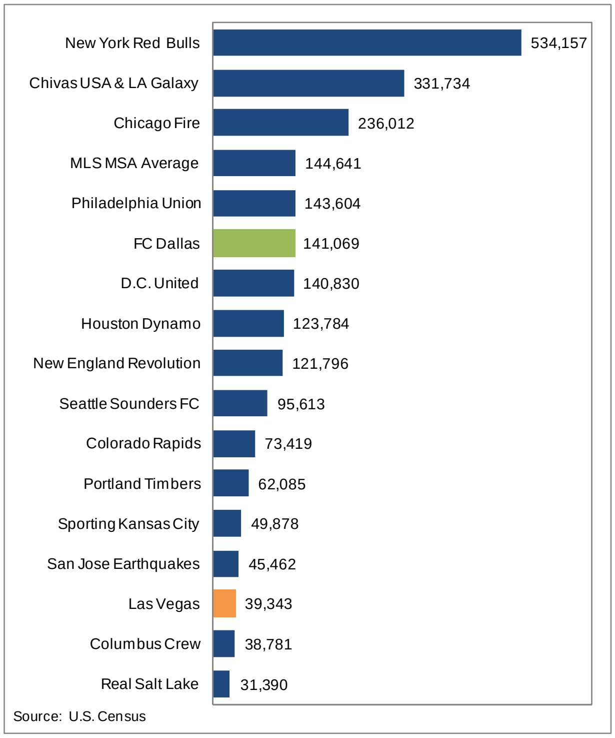
Figure 30 – 2012 Median Household Income in MLS MSAs



Source: ESRI

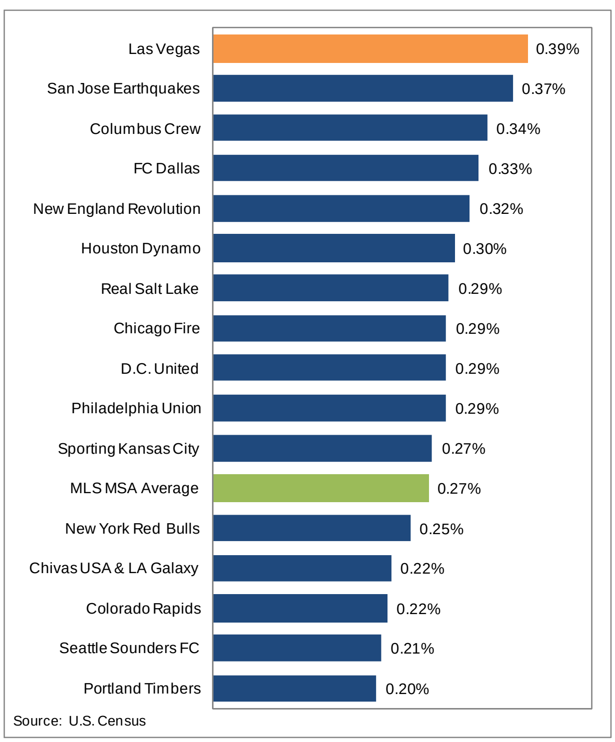
Compared to the MSAs with a MLS team, the median household income in Las Vegas is relatively low ($53,130 versus a league median of $59,040). Only Houston and Columbus had a lower median household income than Las Vegas in 2012.

Figure 31 – 2011 Number of Firms in MLS MSAs



Las Vegas is a relatively small corporate market; its 39,300 firms is more than only two current MLS markets (Salt Lake City and Columbus).

Figure 32 – 2011 Share of Firms with More than 500 Jobs

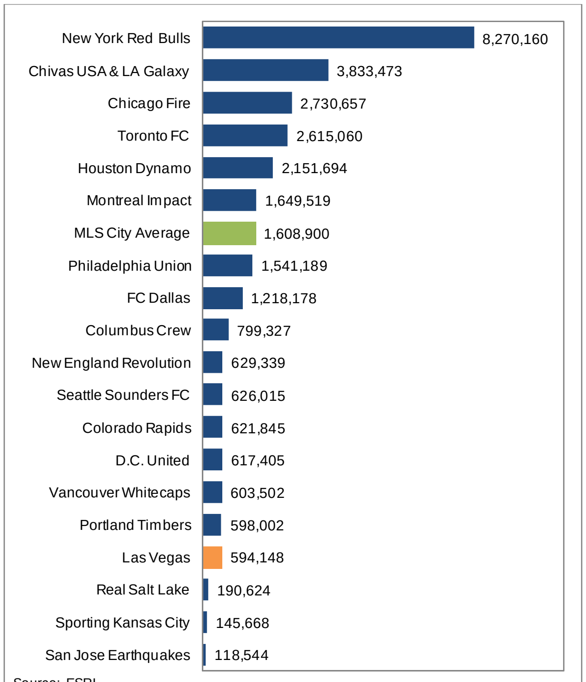


Although the Las Vegas MSA is a relatively small corporate market, it had the highest share of firms with more than 500 employees in 2011. For every 1,000 firms in Las Vegas, 3.9 have more than 500 employees.

City Comparisons

On the following pages, similar data was analyzed at the city level for markets with MLS teams.

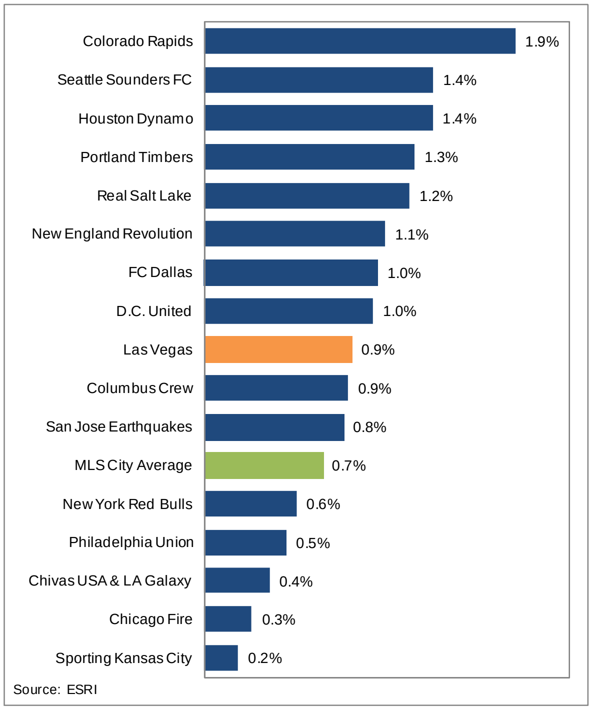
Figure 33 – 2012 City Population by MLS Team



Source: ESRI

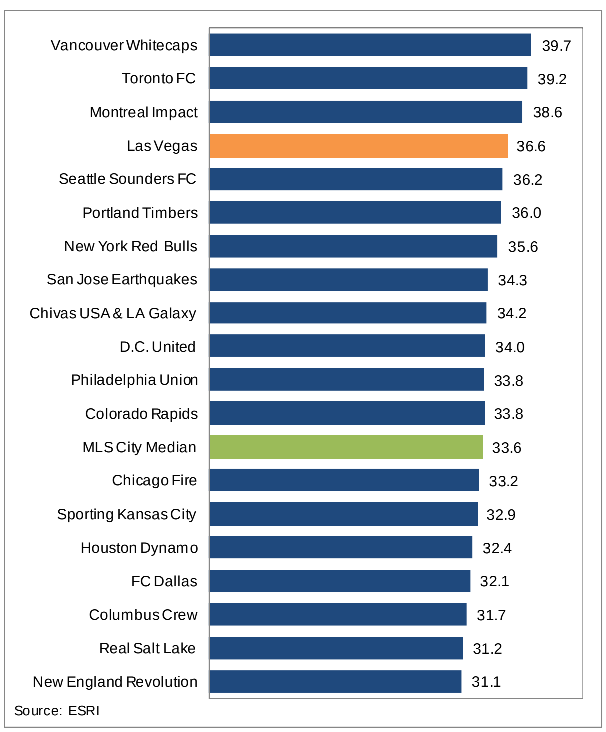
The population of the City of Las Vegas is comparable to that of Portland, Oregon, and exceeds the population of only three MLS markets (Salt Lake City, Kansas City, and San Jose). The league average of more than 1.6 million is significantly higher, although it is somewhat skewed by the size of New York City.

Figure 34 – 2012-17 Population Growth in MLS Cities



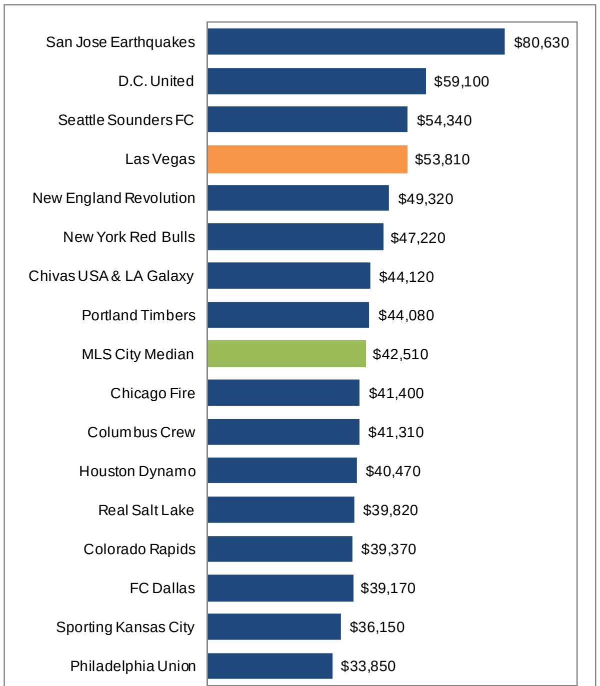
The city's population is projected to grow slightly faster than the league average of 0.7 percent per year from 2012 through 2017.

Figure 35 – 2012 Median Age in MLS Cities



Las Vegas has a much higher median age than most cities with MLS teams. The league median was 33.6 in 2012, which is three years younger than Las Vegas' figure. Seattle, Portland, and New York are comparable to Las Vegas in terms of their populations' age.

Figure 36 – 2012 Median Household Income in MLS Cities



Source: ESRI

The median household income in the City of Las Vegas ($53,800) was greater than that of most MLS cities in 2012. Only three cities (San Jose, Washington D.C., and Seattle) had higher income levels.

Other Potential Stadium Tenants

The following sections discuss the National Women's Soccer League and Major League Lacrosse, two other leagues that are potential tenants in an MLS stadium.

National Women's Soccer League

The National Women's Soccer League (NWSL) is the US's top professional soccer league for women. It is currently in its second season, and four of its nine teams are former Women's Professional Soccer (WPS) franchises that were disbanded when that league folded in 2012. The league's teams are located throughout the country, including franchises in the Pacific Northwest, Midwest, and Northeast. The NWSL's season runs from April through August, with each team playing 11 home games.

The league's current teams (including the Houston Dash, who joined the league this year), their stadiums, and 2013 attendance average are shown below. Two teams (Houston and Portland) play in MLS facilities (in bold).

Table 32 – NWSL Stadium and Attendance Characteristics

Team	City	Stadium	Stadium Capacity	Avg. Attendance - 2013
Boston Breakers	Boston, Massachusetts	Harvard Stadium	30,323	2,427
Chicago Red Stars	Lisle, Illinois	Village of Lisle-Benedictine University Sports Complex	3,000	1,711
FC Kansas City	Kansas City, Missouri	Verizon Wireless Field at Durwood Stadium	3,200	4,626
Houston Dash	Houston, Texas	**BBVA Compass Stadium**	7,000*	n/a
Portland Thorns FC	Portland, Oregon	**Providence Park**	20,438	13,320
Seattle Reign FC	Seattle, Washington	Memorial Stadium	17,000	2,306
Sky Blue FC	Piscataway, New Jersey	Yurcak Field	5,000	1,666
Washington Spirit	Germantown, Maryland	Maryland SoccerPlex	5,200	3,620
Western New York Flash	Rochester, New York	Sahlen's Stadium	13,768	4,485
League Average				***4,270***

**Reduced capacity from MLS matches.*
Source: NWSL, AECOM

According to reports, the league has planned for expansion but some of the plans have not yet occurred on schedule. Markets that have been discussed as possibilities include Los Angeles, Hartford, Vancouver, Toronto, and New York. The Toronto and New York opportunities involved the local MLS franchises.

Major League Lacrosse

Major League Lacrosse (MLL) is a semi-pro lacrosse league that started play in 2001. MLL is an outdoors lacrosse league, as compared to the National Lacrosse League, which plays in arenas. The league currently has eight teams that are located on the East Coast and in Denver, and play seven home games per year from April through August.

The league's current teams, their stadiums, and 2013 attendance average are shown below.

Table 33 – MLL Stadium and Attendance Characteristics

Team	City	Stadium	Joined	Avg. Attendance - 2013
Boston Cannons	Boston, MA	Harvard Stadium	2001	8,154
Charlotte Hounds	Charlotte, NC	American Legion Memorial Stadium	2012	3,815
Chesapeake Bayhawks	Annapolis, MD	Navy–Marine Corps Memorial Stadium	2001	8,596
Denver Outlaws	Denver, CO	Sports Authority Field at Mile High	2006	9,466
Florida Launch	Boca Raton, FL	Florida Atlantic University Stadium	2014	n/a
New York Lizards	Hempstead, NY	James M. Shuart Stadium	2001	3,356
Ohio Machine	Delaware, OH	Selby Field	2012	3,026
Rochester Rattlers	Rochester, NY	Sahlen's Stadium	2001	1,991
League Average				***5,069***

Source: NWSL, AECOM

In 2013, the league's average attendance was approximately 5,100; in the previous three years, the annual average ranged from approximately 4,900 to 6,400.

The league currently has one inactive team (in Hamilton, Ontario), which is planning to return to MLL next year with the completion of a new 24,000-seat Canadian Football League stadium. Since 2001, the league has also had teams in Chicago, Philadelphia, New Jersey, Los Angeles, and San Jose.

According to the league, expansion plans call for 18 franchises by 2020. Potential markets mentioned by the league include Atlanta, Chicago, Dallas, Houston, Indianapolis, Miami, Minneapolis, Nashville, Orange County (CA), Orlando, Philadelphia, Pittsburgh, Portland, Salt Lake City, San Francisco, Seattle, and Virginia Beach. In addition, in 2014, MLL announced a partnership with Adrenaline and the LXM Pro Tour, a lacrosse showcase that hosts events across the country. In 2013, one of the tour's 12 stops was in Las Vegas. The Las Vegas event was held at Heritage Park over two days and included more than 75 club programs from across the West Coast.

5. Comparable Facilities

In this section, we analyze the planning, operations, use, and other characteristics of existing soccer-specific MLS stadiums in other markets across the country. These facilities will help to define what has been successfully implemented in other major metropolitan areas. The facilities analyzed are:

- BBVA Compass Stadium in Houston,
- Providence Park in Portland,
- Sporting Park in Kansas City, and
- Rio Tinto Stadium in Sandy, Utah.

BBVA Compass Stadium, Houston, Texas

BBVA Compass Stadium in downtown Houston is the home of MLS' Houston Dynamo, as well as the Houston Dash of the NWSL (beginning this year) and Texas Southern University football. The 22,000-seat stadium opened in 2012.

Market

The City of Houston has approximately 2.2 million residents, and is the fourth-largest city in the US. The Houston metro area, which is the fifth largest, has 6.3 million residents.

Ownership and Management

The stadium is owned by the City and County, and is managed by AEG.

Funding

The stadium cost a total of $95 million ($60 million for construction, $20 million for infrastructure, and $15 million for land). AEG, the team's co-owner and operator of the stadium, paid for the stadium and the City of Houston and Harris County paid for infrastructure costs and the land).

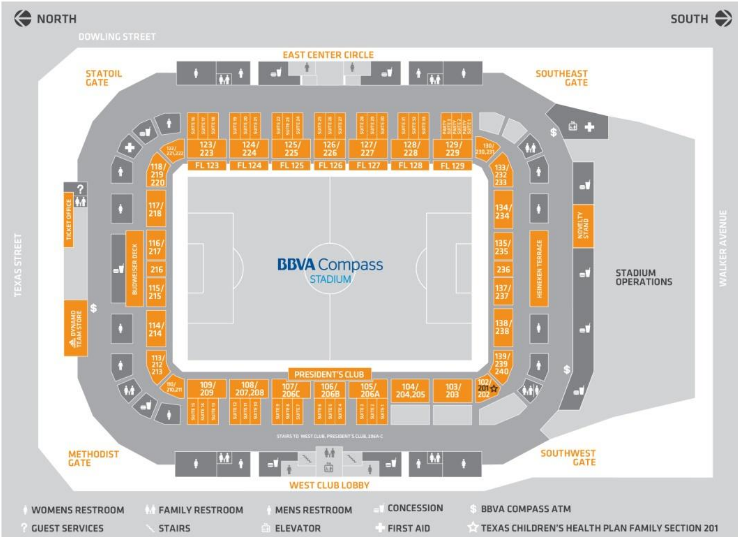
Facilities and Offerings

The stadium contains a total of 340,000 square feet and is on a 12-acre site. The stadium includes:

- 22,000 seats (including 7,000 lower-level seats),
- A 90,000-square foot grass field,
- Canopies that cover most of the sideline seats (there is no air conditioning in the bowl),
- An adidas Dynamo Team Store,
- A 5,000-square foot concert stage at the south end, with demountable seats and a full rigging grid on a canopy,
- A total of five locker rooms (including the Dynamo's locker room),
- 36 luxury suites (which are the closest to the field in MLS, and start behind the ninth row of seats),
- Two party suites that can be combined for a group of 48 people,
- Approximately 1,100 club seats,
- Two party decks (one in each end zone), and
- The President's Club.

The stadium's seating chart and location of other areas are shown below.

Figure 37 – BBVA Compass Stadium Soccer Seating Chart



Usage

In the two seasons that the Dynamo have played in BBVA Compass Stadium, its attendance has averaged approximately 20,500 per game, compared to 17,400 in the six seasons the team played at the University of Houston's Robertston Stadium, its football stadium.

Non-tenant uses of the stadium have included the IRB women's rugby Sevens World Series, high school football games and championships, and college soccer and football championships. In 2014, its ticketed events include:

- MLS, Texas Southern, and Dash games (approximately 36 events),
- An international friendly soccer match (Honduras vs. Israel),
- One concert,
- A US-Scotland rugby match,
- A job fair and community recycling event, and
- The opening ceremonies of the Transplant Games of America.

Financial

The following information summarizes various components of the stadium's financial operations.

- **Suites** – all suites were sold out when the stadium opened in 2012. Annual rates are $50,000 to $60,000 and include 14 tickets for all ticketed events, two parking passes, the ability to buy other tickets to stadium events, and other benefits.
- **Club Seats** – cost approximately $1,800 per year and include Dynamo tickets and other benefits.

- **President's Club** – 214 seats sold out for $3,500 per year. These seats include tickets to Dynamo games and a limited number of other events, the first right to buy seats for other events, and other events.
- **Party Decks** – tickets cost $80 per person and include a food buffet and access to a cash bar.
- **Individual tickets** – Dynamo tickets range from $22 (standing room) to $100 (VIP Field Seating). Dash tickets are $16 to $32 per game.
- The stadium has eight founding partners (AT&T, Dr Pepper, HCC, Kroger, Mazda, Houston Methodist Hospital, Statoil, and Visa) that paid $300,000 to $600,000 each per year (primarily on three-year contracts). The stadium also has five "Stadium Partners": Direct Energy, Budweiser, Heineken, Papa John's, and UnitedHealthcare.
- Sponsored facilities within the stadium include the Heineken Terrace, Budweiser Deck, Methodist Gate and Statoil Gate, and the Houston Chronicle's sponsorship of the press box.

Providence Park, Portland, Oregon

PROVIDENCE PARK

Providence Park in downtown Portland is the home of MLS' Portland Timbers, as well as the Portland Thorns FC of the NWSL and Portland State University football. Providence Park originally opened in 1926 as Multnomah Stadium and was primarily oriented as a minor-league baseball stadium. However, in 2011, the stadium underwent a $40-million renovation that converted the facility into a soccer stadium (with full football capabilities), and the team signed a 25-year lease with the city. The stadium currently has approximately 20,400 seats.

Market

The City of Portland has approximately 585,000 residents, and the Portland metro area has 2.3 million residents.

Ownership and Management

The stadium is owned by the City of Portland, and is managed by Peregrine Sports, LLC, which owns the Timbers and Thorns. Peregrine is responsible for all stadium operating expenses. Food service is provided by Centerplate.

Funding

Approximately 40 percent of the stadium's renovation was funded by the city, and 60 percent was funded by the team. The city issued 20-year bonds that are repaid by its share of user fees and rent payments.

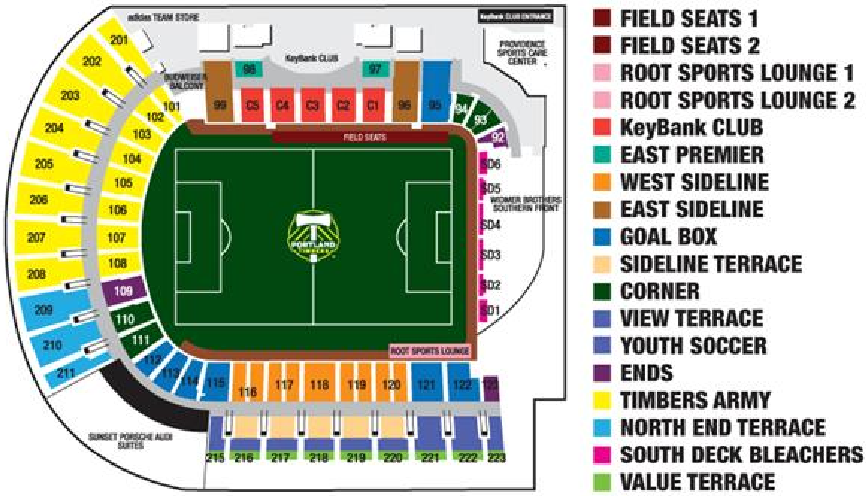
Facilities and Offerings

The stadium includes:

- A 90,000-square foot field,
- 24 suites with seating for 22 or 26 people each,
- Approximately 1,200 club seats,
- The KeyBank Club, and indoor/outdoor space with a total of approximately 4,400 square feet that is available to club seat holders,
- The KeyBank Club Deck, a 5,700-square foot area,
- Two other deck areas,
- The Community Room, with 1,400 square feet of indoor space,
- The adidas Timbers Team Store,
- KeyBank Plaza,
- The Widmer Brothers Southern Front, a bar area and stage platform behind the southern goal, and
- Providence Care Sports Center, a 12,000-square foot facility that is integrated into the east side of the stadium.

The stadium's seating chart is shown below.

Figure 38 – Providence Park Soccer Seating Chart



Usage

In its three full seasons in MLS, the Timbers have virtually sold out the stadium. Its three-year attendance average is 19,633 per game. In 2013, the first season of the NWSL, the Thorns averaged more than 13,000 per game, which more than tripled the leaguewide average of approximately 4,300. The Thorns were the only team to average more than 5,000 fans per game.

According to the team, the stadium hosts approximately 300 events per year. This summer, the stadium will host the MLS All-Star Game.

Financial

Full financial information for the stadium is not available; however, the following information addresses various aspects of operations and demand.

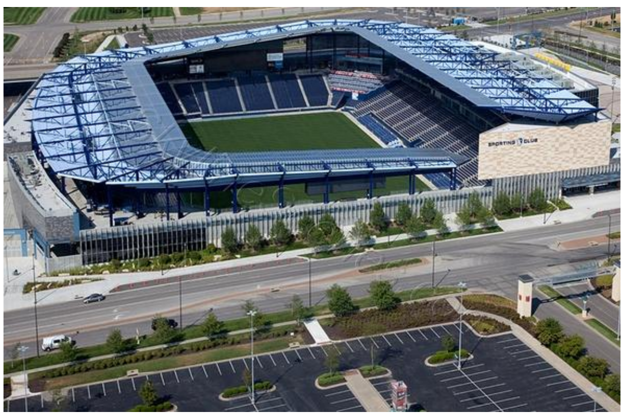
- The suites are sold for $65,000 per year (including tickets for all events), and are sold out.
- Club seats are $85 per game for MLS.
- Individual tickets are generally $25 to $138 for Timbers games and $13 to $35 for the Thorns.
- Under the terms of the stadium lease, the city receives seven percent of ticket revenues (with an annual minimum) as a “user fee,” plus an annual license payment/rent from Peregrine. The minimum share of ticket revenues ranges from $612,500 to approximately $1.1 million over the 25-year lease, and the license payment ranges from $875,000 to $1,475,000.

  In the three years of the agreement, seven percent of ticket sales has exceeded the minimum guarantee. In 2013, Peregrine paid a total of approximately $1.9 million to the city ($962,000 in ticket sharing and $925,000 in rent).
- The stadium has nine founding partners – Alaska Airlines, Jeld-Wen, Providence Health & Services, KeyBank, Burgerville, ROOT Sports, PGE, Widmer Brothers Brewing, and adidas.

- Sponsored spaces in the stadium include the Sunset Porsche Audi Suites, the Budweiser Balcony, the KeyBank Club, Deck, and Plaza, the Providence Sports Care Center, the Widmer Brothers Southern Front, and the ROOT Sports Lounge.

Sporting Park, Kansas City, Kansas

Sporting Park is an 18,500-seat soccer-specific stadium in Kansas City that is the home of Sporting KC and FC Kansas City of the NWSL. The $200-million stadium opened in May 2011 (soon after the start of the 2011 MLS season) and is surrounded by the 72,000-seat Kansas Speedway, the 6,500-seat CommunityAmerica Ballpark (the former home of Sporting KC), the Nebraska Furniture Mart, and the Legends at Village West outlet mall.



Market

The City of Kansas City has approximately 150,000 residents, and the 15-county Kansas City metro area (which includes Kansas City, Missouri) has approximately 2.3 million residents.

Ownership and Management

The stadium is owned and operated by Kansas Unified Development, LLC, which is controlled by team ownership. Food service is provided by Delaware North Sportservice.

Funding

The stadium was primarily funded through $150 million of Sales Tax Revenue (STAR) bonds, with the remaining $50 million from the team.

Facilities and Offerings

The 342,000-square foot stadium includes the following facilities and amenities:

- A 75 x 120-yard field,
- Approximately 18,500 seats, and a maximum capacity (for concerts) of 25,000,

- A canopy that covers all seating sections,
- 37 suites, including one party suite and an owners' suite,
- 3,400 club seats,
- Five clubs: the UMB Field Club, the Shield Club, the Boulevard Members Club, the Signature Lounge, and the Ivy Funds Executive Lounge,
- The 124,000-square foot Sprint Plaza that is used for pre-game activities and standalone events, and
- Six locker rooms.

The stadium's seating chart is shown below.

Figure 39 – Sporting Park Soccer Seating Chart

Usage

Since moving into Sporting Park in 2011, the team has averaged approximately 19,000 fans per game. As of early May 2014, the team had a 40-game sellout streak dating to 2012. In its two previous homes, attendance was much lower – approximately 10,800 per year in 15 seasons at Arrowhead Stadium and CommunityAmerica Ballpark.

The stadium's other tenant, the NWSL's FC Kansas City, averaged approximately 4,600 fans per game (the league's second-highest attendance) in 2013, its inaugural season.

Other events at the stadium have included concerts, international friendlies, US Open Cup matches, Olympic and World Cup qualifying matches, and others. The stadium will also host the 2014 MLS All-Star Game.

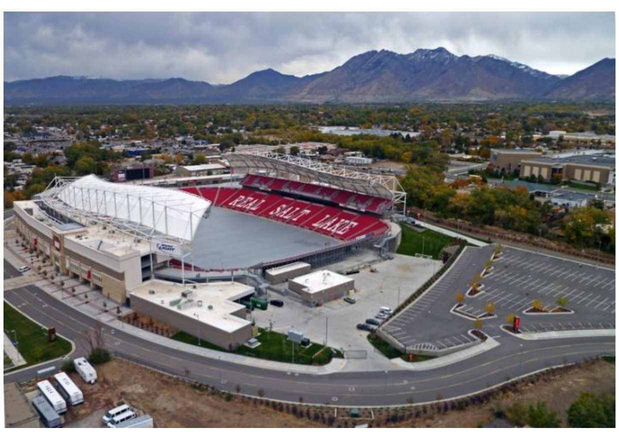
Financial

Other available information related to the stadium's operations include the following.

- Since the end of the stadium's first season, its suites have been sold out at prices ranging from approximately $50,000 to $90,000 per year. (Two suites were originally held back for game-by-game sales.)
- Also following the end of the stadium's first season, all 396 Field Club seats and 976 Shield Club seats have been sold out. Field Club seats costs $1,250 to $1,400 per year, and Shield Club seats are $2,750 to $3,650.
- All 14,000 seats allotted for season tickets have been sold out since 2013.
- The stadium's founding partners are Panasonic, Providence Healthcare, Sprint, and TheCoolTV.
- Sponsored spaces within the stadium include the Budweiser Terrace, the Providence Sporting Pass Zone, the Sprint Plaza, TheCoolTV Lounge, the UMB Field Club, and the Ivy Funds Executive Lounge.

Rio Tinto Stadium, Sandy, Utah

Rio Tinto Stadium opened in 2008 in Sandy, approximately 15 minutes from downtown Salt Lake City. The stadium has a soccer capacity of 20,000 and a maximum capacity of 25,000 for concerts. The $110-million stadium was funded with $65 million in private investment and $45 million in public funds. The broader site surrounding the stadium is planned for residential, retail, and office development.



Market

The City of Sandy is a suburb of Salt Lake City and has approximately 90,000 residents. Salt Lake City has approximately 190,000 residents, and the metro area has 1.1 million residents.

Ownership and Management

The stadium is owned and operated by Dell Loy Hansen, who owns Real Salt Lake and was originally a minority investor in the team. The stadium's food service provider is Levy Restaurants.

Funding

The facility was funded with approximately $72.5 million from Real Salt Lake (which also paid for soccer fields outside of the stadium), $35 million from the state from hotel taxes, and $10 million from Sandy through redevelopment agency funds.

The state's share of funding was obtained by legislation that extended Transient Room Tax collections that were set to expire in 2011 and 2015, but are dedicated to repayment of stadium debt for 20 years. The stadium's share of TRT revenues are 15 percent of a 1.25-percent tax on hotel rooms in Salt Lake County.

The Sandy Redevelopment Agency's $10-million contribution came via the creation of a Community Development Area that surrounds the site. Incremental property taxes generated within the CDA repay the city's debt.

Facilities and Offerings

The 250,000-sqaure foot Rio Tinto Stadium is on a 23-acre site that is planned for additional development; the stadium includes the following facilities:

- A 130 x 90-yard field,
- A canopy that covers approximately one-third of the stadium's seats,
- 1,900-onsite parking spaces,
- A 4,800-square foot portable stage with a roof for concert rigging,
- 32 suites (with 15 to 35 seats) and four party suites,
- Approximately 1,000 club seats that include VIP parking and Budweiser Club Real access,
- The Center Circle Club, Budweiser Club Real, and Toyota 100 Lions Club, and
- Five locker rooms.

The stadium's seating chart is shown below.

Figure 40 – Rio Tinto Stadium Soccer Seating Chart

Usage

Since moving into Rio Tinto Stadium, Real Salt Lake has averaged approximately 17,800 attendees per game, compared to 16,800 per game in the three years it played at the University of Utah's Rice-Eccles Stadium. In 2012 and 2013, average attendance exceeded 19,000 per game.

The stadium has hosted a wide range of events since its opening, including the 2009 MLS All-Star Game, the 2011 CONCACAF Champions League Finals and the 2013 CONCACAF Gold Cup, the 2013 Lamar Hunt US Open Cup finals, World Cup qualifying matches, international friendlies, high school soccer and football games, an NJCAA bowl game, the 2011USA Rugby Championship, the 2014 Varsity Cup Rugby Championship, concerts, and others.

Financial

The following information is available on the stadium's operations and financial results.

- The 32 long-term suites are sold out, with annual rates ranging from $25,000 to $60,000 (including MLS tickets, club access, parking, and other amenities).
- Club seats are sold for an average of approximately $1,800 per season, including club access with food and non-alcoholic drinks, and other benefits.
- Tickets for the Center Circle Club cost $7,500 per year when the stadium first opened, and approximately 70 percent of the 96 seats were sold.
- Rio Tinto pays a reported $1.75 million per year over ten years for the stadium's naming rights.

- The stadium's founding partners are America First Credit Union, Anheuser-Busch, FIJI Water, Salt Lake Regional Medical Center, and Sony Electronics.
- Pepsi owns the stadium's pouring rights.

6. Demand and Operating Projections

In this section, we project the future events and attendance of the stadium, as described in the previous sections. We also estimate future operating revenues and expenses.

We assume the stadium will have the following major characteristics:

- Approximately 24,000 total seats,
- 34 luxury suites,
- 1,000 club seats,
- Premium/club areas for premium seat holders,
- Other types of group seating areas such as a supporters' section,
- The ability to host concerts and other types of sports and entertainment events,
- Cooling system(s) for the field and seating areas that minimize the effects of the heat for players, performers, stadium workers, and attendees, and
- Other offerings and amenities, such as concessions, restrooms, and others, that are consistent with industry standards for MLS stadiums.

In the development of our assumptions and forecasts, we have considered the local market analysis and competitive environment for facilities and events, the operations of other comparable facilities, and other factors. Actual operating data from other stadiums is shown in previous sections and in the appendix to this report, to support our assumptions shown in this section. We have also reviewed private operating data from various MLS teams and facilities.

Event and Attendance Demand

The following tables summarize the annual projected event and attendance demand at the stadium for its first five years.

Table 34 – Projected Event Demand

	2017	2018	2019	2020	2021
MLS Matches	18	18	18	18	18
NWSL Matches	11	11	11	11	11
MLL Games	7	7	7	7	7
Major Soccer Matches	3	3	3	5	5
Other Major Sporting Events (Pro/College)	6	6	6	7	7
Other Sporting Events (Other Amateur)	4	4	4	6	6
Concerts/Festivals	3	3	3	4	4
Other Ticketed Entertainment Events	2	2	2	3	3
Community Events	10	10	10	12	12
Social/Private Events	10	10	10	12	12
Other Events	5	5	5	6	6
Total	**79**	**79**	**79**	**91**	**91**

Source: AECOM

Table 35 – Projected Average Paid Attendance

	2017	2018	2019	2020	2021
MLS Matches	20,000	20,377	20,761	21,153	21,553
NWSL Matches	4,500	4,582	4,666	4,752	4,839
MLL Games	5,500	5,602	5,707	5,813	5,922
Major Soccer Matches	15,000	15,000	15,000	15,000	15,000
Other Major Sporting Events (Pro/College)	12,500	12,500	12,500	12,500	12,500
Other Sporting Events (Other Amateur)	4,000	4,000	4,000	4,000	4,000
Concerts/Festivals	20,000	20,000	20,000	20,000	20,000
Other Ticketed Entertainment Events	20,000	20,000	20,000	20,000	20,000
Community Events	2,500	2,500	2,500	2,500	2,500
Social/Private Events	250	250	250	250	250
Other Events	750	750	750	750	750

Source: AECOM

Table 36 – Projected Total Paid Attendance

	2017	2018	2019	2020	2021
MLS Matches	360,000	366,783	373,702	380,759	387,957
NWSL Matches	49,500	50,405	51,328	52,270	53,230
MLL Games	38,500	39,216	39,946	40,691	41,451
Major Soccer Matches	45,000	45,000	45,000	75,000	75,000
Other Major Sporting Events (Pro/College)	75,000	75,000	75,000	87,500	87,500
Other Sporting Events (Other Amateur)	16,000	16,000	16,000	24,000	24,000
Concerts/Festivals	60,000	60,000	60,000	80,000	80,000
Other Ticketed Entertainment Events	40,000	40,000	40,000	60,000	60,000
Community Events	25,000	25,000	25,000	30,000	30,000
Social/Private Events	2,500	2,500	2,500	3,000	3,000
Other Events	3,750	3,750	3,750	4,500	4,500
Total	**715,250**	**723,654**	**732,226**	**837,720**	**846,639**

Source: AECOM

As the tables show, the stadium is projected to host a total of approximately 80 to 90 events per year. Total attendance is projected to be approximately 715,000 to 845,000 per year. We have assumed that the stadium's usage will stabilize in its fourth year; however, a more aggressive projection of usage could reach approximately 140 events and more than one million attendees.

The total paid attendance estimates above include both premium and non-premium seating (for events that will utilize the stadium's premium seats). However, not all ticket buyers will actually attend an event, and others will attend events with complimentary tickets that are given out by the facility and its teams for promotional purposes. The following table summarizes our assumptions of turnstile (actual) attendance as a percent of paid attendance, based on the attendance profile of events at other similar facilities.

The distinction between paid and turnstile attendance is important because most revenues generated inside the facility are based on the number of people who actually attend an event rather than those who buy tickets.

Table 37 – Turnstile as a Percent of Paid Attendance

	Turnstile - % of Paid	
	GA	Premium
MLS Matches	95.0%	75.0%
NWSL Matches	95.0%	75.0%
MLL Games	95.0%	75.0%
Major Soccer Matches	100.0%	90.0%
Other Major Sporting Events (Pro/College)	100.0%	90.0%
Other Sporting Events (Other Amateur)	100.0%	90.0%
Concerts/Festivals	105.0%	90.0%
Other Ticketed Entertainment Events	100.0%	90.0%
Community Events	100.0%	
Social/Private Events	100.0%	
Other Events	100.0%	

Source: AECOM

Event Categories

MLS Matches

Detailed information regarding attendance levels throughout MLS is presented earlier in this report. The MLS season consists of the following types of matches:

- **Preseason**: MLS preseason matches are typically played in warm-weather, non-MLS markets (most commonly in Arizona and Florida). In 2014, one game was played in Las Vegas, at Sam Boyd Stadium.
- **Regular season**: 17 home matches per team.
- **Playoffs**: The top five teams from each conference currently qualify for the MLS Cup. In each conference, the two lowest seeds play one game in the Knockout Round. The winner advances to the Conference Semifinals, which consists of two, two-match “aggregate series.” Conference championships are also two-match aggregate series, and the conference champions play each other in a single MLS Cup championship match.

We have assumed a total of 18 MLS matches per year at the new stadium. Average attendance is assumed to be 20,000 in the first year and increase by two percent thereafter. As was previously shown in this report, the leaguewide attendance average is currently approximately 18,600.

NWSL Matches

We have assumed that the stadium will also have an NWSL franchise as a tenant. The league’s regular season consists of 11 home games per team, and like MLS, preseason matches are typically played in non-NWSL facilities against collegiate teams. The four-team NWSL playoffs currently consist of three games – two semifinal games and a championship game, at the home stadium of the higher-seeded teams.

We assume that the Las Vegas franchise will play 11 home games per year, with an average attendance of 4,500 in the stadium's first year (to increase by two percent per year), which approximates the current league average.

MLL Games

We also assume that the stadium will have a tenant in MLL. As previously described, the league's regular season consists of seven home games per team, and the playoffs are a four-team, three-game tournament held at a neutral site. There is no true MLL preseason, although some preseason scrimmages are held.

We assume that the MLL team will play seven home games per year, with an average attendance starting at 5,500 (which is approximately the leaguewide average) and increasing two percent per year.

Major Soccer Matches

Major soccer matches are non-MLS games that can include international friendlies, Olympic and World Cup qualifying matches, tournaments such as the US Open Cup, the CONCACAF Gold Cup and Champions League, and others. In 2013, MLS stadiums hosted many of these events; for example, Crew Stadium hosted four and Sporting Park hosted seven. In addition, Sam Boyd Stadium hosted two in 2013. As is shown in more detail in the appendix, attendance at these events in MLS stadiums has recently ranged from less than 10,000 for the 2013 US Open Cup to more than 20,000 for the 2013 Gold Cup. (International and Gold Cup matches were also held in NFL, Major League Baseball, and college football stadiums in 2013 and 2014 and attracted as many as nearly 70,000 fans.)

We assume that a Las Vegas stadium will host three to five Major Soccer Matches per year, with an average attendance of 15,000.

Other Major Sporting Events (Pro/College)

This event category includes major collegiate and professional sporting events and tournaments in sports other than soccer. Examples can include rugby, football, lacrosse, and other field sports. However, this does not include NCAA championships because of the association's current rule against hosting these events in Nevada due to the presence of legalized gaming. In Las Vegas, the USA Rugby Sevens Tournament is currently held at Sam Boyd Stadium. Specific examples of these events that have been held at other MLS stadiums in recent years include:

- International rugby games (Houston),
- The Collegiate Rugby Championship (Philadelphia), and
- College football games (multiple facilities),

These events often consist of multiple sessions over consecutive days. For example, the Rugby Sevens at Sam Boyd Stadium has one session per day for three days. Past attendance levels of these events are shown in more detail in the appendix. In Las Vegas, we assume that a stadium will host six to seven such sessions of Other Major Sporting Events per year, with an average attendance of 12,500.

Other Sporting Events (Other Amateur)

These events include non-professional sporting events that will generally have a lower attendance profile than events in the previous section. These can include high school football regular-season and state championship games, collegiate tournaments, and others. At Sam Boyd Stadium, these events include high school football games (regular season and state championships) and lacrosse tournaments. Specific examples of these events that have been held at other MLS stadiums in recent years include (although NCAA championships cannot currently be held in Las Vegas):

- The ACC lacrosse tournament (Philadelphia),
- High school soccer, football, and lacrosse championships (multiple facilities),
- The Big East soccer tournament (New York),
- Ultimate Frisbee tournaments (Denver), and
- The NCAA College Cup soccer championship (Philadelphia and Frisco).

As shown above, these events are often tournaments that have multiple sessions over multiple days. Past attendance levels of these events are shown in more detail in the appendix. In Las Vegas, we assume that a new stadium would host four to six sessions per year, with an average attendance of 4,000.

Concerts/Festivals

Many MLS stadiums are designed specifically to accommodate concerts, with a temporary or permanent stage at one end zone that can accommodate a concert's rigging needs. We assume this will be the case in Las Vegas. Typically, MLS stadiums will host one or two major concerts per year; last year, Dick's Sporting Goods Park in Denver hosted five major concerts (including three Phish concerts, which occur annually over Labor Day weekend).

MLS stadiums also host larger festivals with multiple performers, such as Rock on the Range (Columbus); the Mile High Music Festival (Denver); the B96 Pepsi Summer Bash, Future Sound Dance Music Festival, and Crossroads Guitar Festival (Chicago); Ozzfest, Celebrate Freedom, and Edgefest (Frisco); and the Vans Warped Tour and Wango Tango (Los Angeles). Past attendance levels for MLS stadiums that have hosted concerts and festivals are shown in the appendix.

We assume that the stadium will host three to four concerts and festivals per year. However, in addition to market-driven concerts and festivals that would be drawn to an MLS stadium in Las Vegas, it is possible that downtown hotel-casinos and businesses will rent the facility for additional public and private concerts.

Other Ticketed Entertainment Events

This category includes truck events, motorcross, and other similar events. Examples of these events include the Monster Energy Supercross Cup Finals, Monster Energy AMA Supercross, and Monster Jam World Truck Finals that are currently held at Sam Boyd Stadium (the World Truck Finals are held over three days). Past attendance levels of these events at Sam Boyd Stadium and other MLS stadiums are shown in the appendix.

At a new MLS stadium in Las Vegas, we assume that two to three sessions of Other Ticketed Entertainment Events will be held per year, with an average attendance of 20,000.

Community Events

Community events can include local runs (such as marathons) that start and/or end at the stadium, events associated with downtown Las Vegas' MLK parade, and others. Sam Boyd Stadium has hosted many such events, including 5k and other runs in its parking lot. Other examples of community events held at MLS stadiums include:

- A community recycling event and job fair (Houston),
- Ribfest and a bike rally (Chicago),
- Runs (multiple facilities),
- A food and drink festival (Denver), and
- The Reebok Crossfit Games (Los Angeles).

We assume that the stadium will host 10 to 12 such events per year, with an average attendance of 2,500 people.

Social/Private Events

These events would typically be held in the stadium's smaller facilities such as a club/restaurant, for gatherings such as business functions, banquets, parties, and other similar events, but could also be held on the playing field and/or using the entire facility.

At Sam Boyd Stadium, examples of private events include a 20,000-person Google event, a 12,000-person State Farm event, and a 3,000-person catered union picnic. An example of smaller events at other MLS stadiums include weekly charity poker tournaments in the Stadium Club of Toyota Park in Chicago, and private rentals of club, restaurant, and party deck areas throughout the league.

We assume a total of 10 to 12 such events per year, with an average attendance of 250 people.

Other Events

Events not included in the other categories but that could be held in the stadium (and are commonly held in other MLS stadiums) include product launches, photo/video shoots, training sessions, and others. All of these event types have also been held in Sam Boyd Stadium in recent years.

We assume five to six “other” events per year, with an average attendance of 750 people.

Stadium Revenues and Expenses

The following table summarizes the stadium’s estimated revenues and expenses for its first five years. Revenues and expenses are based on the characteristics of the stadium’s anticipated events, operations of similar stadiums, assumed lease terms with tenants, and other factors.

Table 38 – Projected Revenues and Expenses ($000s)

	2017	2018	2019	2020	2021
Operating Revenues (Net)					
Rent	$964	$982	$999	$1,256	$1,278
Concessions	856	869	882	1,176	1,193
Catering	58	58	59	77	78
Merchandise	86	88	89	118	119
Premium Seating	784	796	808	1,054	1,070
Other Advertising/Sponsorships	675	685	695	706	716
Facility Fees	306	306	306	399	399
Ticketing/Convenience Fees	607	616	625	835	847
Parking	351	357	362	367	373
Tenant Reimbursement	2,743	2,743	2,743	2,743	2,743
Total	**$7,431**	**$7,500**	**$7,570**	**$8,731**	**$8,818**
Operating Expenses					
Salaries and Benefits	$1,034	$1,050	$1,065	$1,081	$1,098
Contractual Services	310	315	320	324	329
Utilities	620	630	639	649	659
General and Administrative	879	892	906	919	933
Repairs and Maintenance	310	315	320	324	329
Insurance	259	262	266	270	274
Management Fees	827	840	852	865	878
Capital Maintenance Account	400	400	400	400	400
Other Expenses	310	315	320	324	329
Total	**$4,950**	**$5,018**	**$5,087**	**$5,158**	**$5,229**
Net Operating Income	**$2,481**	**$2,481**	**$2,482**	**$3,573**	**$3,589**

Source: AECOM

The following text describes all line items and our assumptions in more detail.

Assumed Revenue Sharing

In general, many revenues generated by the stadium are assumed to be captured by the tenant teams.

- We assume that all ticket, concessions and catering, merchandise, facility fee, and ticketing fees directly associated with the tenants’ games are retained by the teams.

- We assume that all premium seating, naming rights, and founding partnership revenues will be captured by the teams.
- We assume that other stadium-related advertising and sponsorship revenues will be shared equally by the teams and facility.

Revenues

Rent

For most ticketed events, rent is calculated as a percent of ticket sales. The percent rent shown below is assumed to be net of expenses that are charged to a promoter. The following table shows the assumed average ticket prices for all ticketed events and the basis for charging rent for all event types, for those that will generate rent revenue to the facility. (Additional information on ticket prices for events at other MLS stadiums is shown in the appendix.)

In addition to the amounts shown below, we assume that the MLS franchise will pay $3.5 million as rent that will not be retained by the stadium, but will be used to pay debt service. In addition, the stadium will not retain rent revenue from Major Soccer Matches, as we assume the MLS team will capture these revenues as part of its lease agreement.

Table 39 – Assumed Ticket Prices and Rents

	Avg. Ticket Price		Rent	
	GA	Premium	Flat Rate (per yr. or event)	% of Ticket Sales
MLS Matches	$28.00	$90.00	*	
NWSL Matches	$17.00	$60.00		10.0%
MLL Games	$20.00	$75.00		10.0%
Major Soccer Matches	$50.00	$125.00		**
Other Major Sporting Events (Pro/College)	$35.00	$60.00		7.0%
Other Sporting Events (Other Amateur)	$15.00	$25.00		7.0%
Concerts/Festivals	$60.00	$100.00		7.0%
Other Ticketed Entertainment Events	$40.00	$75.00		7.0%
Community Events			$15,000	
Social/Private Events			$2,500	
Other Events			$15,000	

**$3.5 million per year, but will be used for debt service.*

***Rent will be paid to MLS franchise.*

Source: AECOM

Based on the ticket prices, assumed rent levels, and event forecasts, total rent revenue to the stadium is estimated to be approximately $965,000 in the stadium's first year of operations.

Concessions and Catering

We assume that stadium management will contract with a professional food and beverage concessionaire to service the stadium. Typically, this type of relationship results in the concessionaire paying a percentage of gross revenue to the facility as a commission. As shown above, we assume that the stadium's sports tenants will then retain all net F&B revenues from their events.

Concession sales are those that take place throughout the stadium's public areas, such as concession stands and other areas throughout the facility. Catering is from F&B sales to premium areas. Based on actual F&B sales at other facilities and typical commission terms for concessionaire contracts, the assumed per-capita sales levels for each event type are shown below.

Table 40 – Assumed Per-Capita F&B Sales

	Concessions		Catering	
	Gross Per Cap	% to Stadium	Gross Cater Per Cap	% to Stadium
MLS Matches	$10.00	0.0%	$40.00	0.0%
NWSL Matches	$6.00	0.0%	$20.00	0.0%
MLL Games	$6.00	0.0%	$20.00	0.0%
Major Soccer Matches	$10.00	0.0%	$40.00	0.0%
Other Major Sporting Events (Pro/College)	$10.00	40.0%	$25.00	20.0%
Other Sporting Events (Other Amateur)	$5.00	40.0%	$15.00	20.0%
Concerts/Festivals	$12.00	40.0%	$40.00	20.0%
Other Ticketed Entertainment Events	$12.00	40.0%	$25.00	20.0%
Community Events	$2.50	40.0%		
Social/Private Events	$40.00	20.0%		
Other Events	$2.50	40.0%		

Source: AECOM

Based on these assumptions of per-capita sales, commission and sharing terms, and assumed attendance levels, net concessions and catering revenue to the stadium will be approximately $915,000 in its first year.

Merchandise

At ticketed sports and entertainment events, merchandise (such as t-shirts and other souvenirs) is also sold. Sports teams typically retain all revenue from these sales, as they own the trademarks on their branded merchandise. For other events, the act/promoter will retain the majority of sales. Assumed per-capita sales and sharing terms for each event type are shown below.

Table 41 – Assumed Per-Capita Merchandise Sales

	Merchandise	
	Gross Merch Per Cap	% to Stadium
MLS Matches	$3.00	0.0%
NWSL Matches	$2.00	0.0%
MLL Games	$2.00	0.0%
Major Soccer Matches	$4.00	0.0%
Other Major Sporting Events (Pro/College)	$2.50	10.0%
Other Sporting Events (Other Amateur)	$1.50	10.0%
Concerts/Festivals	$10.00	10.0%
Other Ticketed Entertainment Events	$5.00	0.0%
Community Events		
Social/Private Events		
Other Events		

Source: AECOM

Based on these assumptions, net merchandise revenue to the stadium is assumed to be $86,000 in its first year.

Premium Seating

The stadium is assumed to have various premium seating offerings. We have previously shown types, amounts, rates, and demand for premium seating at a select set of comparable MLS stadiums across the country. Additional information from other MLS stadiums is shown below:

- **Dick's Sporting Goods Park (Colorado)** – 21 suites at $35,000 to $45,000 per year,
- **BMO Field (Toronto)** – 30 suites at $25,000 to $40,000 per year; 500 club seats,
- **StubHub Center (Los Angeles**) – 42 suites at $28,000 to $70,000 per year; 1,500 club seats at $3,750 per year,
- **Crew Stadium (Columbus) –** 26 suites at $28,000 to $32,000 per year; approximately 1,200 club seats,
- **Toyota Park (Chicago)** – 42 suites at an average of $45,000; 1,100 club seats at an average of $1,200

In Las Vegas, we assume that the MLS stadium will have the following inventory of premium seating:

- **Luxury suites** – 34 suites available to the public, at an annual rate of $50,000.
- **Club seats** – 1,000 seats, at an annual rate of $2,500.

We assume that the suites and club seats will be 90 percent sold each year. No revenue from these sales will be captured by the stadium entity; it will be captured by the team. However, the facility will retain revenue from the sale of premium seat tickets for other ticketed events, such as concerts. Based on assumptions of ticket prices and the percent of premium seats sold for various event types (below), total premium seating revenue to the stadium is estimated to be approximately $780,000 in the stadium's first year.

Table 42 – Assumed Premium Seating Ticket Sales

	Premium Sales
MLS Matches	75.0%
NWSL Matches	25.0%
MLL Games	25.0%
Major Soccer Matches	67.0%
Other Major Sporting Events (Pro/College)	67.0%
Other Sporting Events (Other Amateur)	25.0%
Concerts/Festivals	50.0%
Other Ticketed Entertainment Events	50.0%
Community Events	
Social/Private Events	
Other Events	

Source: AECOM

Advertising/Sponsorships

This category includes three types of advertising and sponsorship revenues:

- **Naming Rights –** we assume a gross annual naming rights value of $2 million. In MLS, most naming rights contracts for soccer-specific stadiums generate between $1 and $2 million per year, with the exception of the StubHub Center ($7 million). For the purposes of this projection, we assume that all naming rights revenue will be captured by the MLS franchise.
- **Founding Partnerships –** many stadiums sell founding partnership deals, which are a premier tier of stadium-related sponsorships. Many other MLS stadiums have sold founding partnerships, including Houston (eight partnerships), Los Angeles (ten), Portland (nine), Colorado (five), and Salt Lake City (five). We estimate a gross annual total of $1 million from founding partnerships; however, all of this revenue will be captured by the MLS franchise.
- **Other Advertising/Sponsorships –** this includes other sponsorship and signage throughout the stadium. We assume a gross annual total of $1.5 million in revenue, less ten percent in associated costs. Also, we assume that the MLS franchise will share 50 percent of this net revenue, with a resulting $675,000 to be retained by the stadium entity.

Facility Fees

Facility fees are often attached to the sale of a ticket as a means to generate additional revenue that can fund stadium operations and/or debt. The scale of fees charged is generally aligned with a ticket price; in other words, the higher the ticket price, the higher a facility fee can potentially be. For MLS and Major Soccer Matches, Other Major Sporting Events, Concerts/Festivals, and Other Ticketed Entertainment Events, we assume a $2-per ticket fee. For other ticketed events (NWSL, MLL, and Other Sporting Events), we assume a $1 fee.

All facility fee revenue from tenant tickets will be captured by the teams. In addition, we assume that 50 percent of fees from concerts and festivals are shared with the events' promoters. As a result, net facility fee revenue to the stadium is estimated to be approximately $300,000 in its first year of operation.

Table 43 – Assumed Facility Fees

	Facility Fee	
	Gross Fee/ Ticket	% to Stadium
MLS Matches	$2.00	0.0%
NWSL Matches	$1.00	0.0%
MLL Games	$1.00	0.0%
Major Soccer Matches	$2.00	0.0%
Other Major Sporting Events (Pro/College)	$2.00	100.0%
Other Sporting Events (Other Amateur)	$1.00	100.0%
Concerts/Festivals	$2.00	50.0%
Other Ticketed Entertainment Events	$2.00	100.0%
Community Events		
Social/Private Events		
Other Events		

Source: AECOM

Ticketing/Convenience Fees

In addition to facility fees, a ticketing or convenience fee can also be added to the price of a ticket. These are typically charged to tickets purchased online or over the phone. These fees generally increase as the price of a ticket increases; for MLS matches and for other types of ticketed events at MLS stadiums, gross fees can be as much as 30 percent of a ticket price.

Because these fees are not charged to all ticket sales and are shared with a ticketing partner that provides the service and technology, actual revenue to a facility is less than the gross charge. Based on a review of net ticketing/convenience fee revenue at other facilities, we assume that the stadium will retain ticketing fees equal to seven percent of ticket sales (with the exception of fees from tenant events), as shown below.

Table 44 – Assumed Ticketing/Convenience Fees

	Tix./Conv. Fees (% of Gross Ticket Sales)
MLS Matches	0.0%
NWSL Matches	0.0%
MLL Games	0.0%
Major Soccer Matches	0.0%
Other Major Sporting Events (Pro/College)	7.0%
Other Sporting Events (Other Amateur)	7.0%
Concerts/Festivals	7.0%
Other Ticketed Entertainment Events	7.0%
Community Events	
Social/Private Events	
Other Events	

Source: AECOM

Net ticketing/convenience fee revenues to the stadium are estimated to be approximately $600,000 in the stadium's first year.

Parking

Based on the forecasted use of the stadium, we assume that approximately 160,000 cars will require parking in the stadium's first year (assuming three attendees per car and 25 percent non-drivers). Assumed per-event parking rates are shown below (including for event types that will not generate parking revenues to the stadium).

Table 45 – Assumed Parking Rates

	Parking Fee/Car
MLS Matches	$20.00
NWSL Matches	$10.00
MLL Games	$10.00
Major Soccer Matches	$20.00
Other Major Sporting Events (Pro/College)	$20.00
Other Sporting Events (Other Amateur)	$10.00
Concerts/Festivals	$20.00
Other Ticketed Entertainment Events	$20.00
Community Events	$0.00
Social/Private Events	$5.00
Other Events	$0.00

Source: AECOM

Based on these assumptions, and an expense rate of 20 percent of gross parking revenues, we estimate that the total net parking revenues available will be approximately $350,000 in 2017. These calculations are shown below.

Table 46 – Parking Revenue Assumptions and Calculations

	Gross # of Cars	Net # of Cars Requiring Parking*	Gross Revenue Available ($000s)	Net Revenue Available ($000s)**	Net Revenue to Stadium ($000s)
MLS Matches					
NWSL Matches					
MLL Games					
Major Soccer Matches					
Other Major Sporting Events (Pro/College)	22,931	17,198	344	275	138
Other Sporting Events (Other Amateur)	4,819	3,614	36	29	14
Concerts/Festivals	20,189	15,142	303	242	121
Other Ticketed Entertainment Events	12,819	9,614	192	154	77
Community Events	8,333	6,250	0	0	0
Social/Private Events	833	625	3	3	1
Other Events	1,250	938	0	0	0
	71,174	**53,381**	**$878**	**$703**	**$351**

**75% of gross number of cars (assumes 25% arrive via public transportation, walking, and other forms of transportation.*

***Assumes expenses are 20% of gross revenues.*

Source: AECOM

The stadium developer is negotiating with various entities regarding more than 8,500 parking spaces. However, we assume that the stadium entity controls approximately half of the total paid spaces (this share can potentially increase), and as a result, we assume a total of approximately $350,000 in net parking revenues to the stadium per year.

Based on assumptions of three attendees per car and 75 percent of attendees requiring parking, the maximum number of spaces needed for a sold-out stadium event would be 6,000. However, the developer plans to make more than 8,500 spaces available.

Tenant Reimbursement

We assume that the MLS team will pay a share of the facility's overall expenses, based on its share of stadium usage (as a percent of total attendance). This line item represents a payment to the stadium from the team, and is assumed to be approximately $2.7 million per year.

Total Operating Revenues

Based on the assumptions and calculations described above, total operating revenues are estimated to be approximately $7.4 million in the stadium's first year, and increase to $8.8 million in its fifth year.

Expenses

In general, the stadium's operating expenses are estimated based on actual expenses of other MLS stadiums, as well as any factors that are unique to Las Vegas and the use of the assumed stadium, as well as the assumed terms of the partnership between the City and the team.

In Table 38 above and the text summaries below, we first show and describe the gross expenses that are estimated for each individual line item. These expenses are then reduced by the share that will be assumed by the MLS franchise.

Salaries and Benefits

Salaries and benefits are estimated to be approximately $1.0 million in the stadium's first year, and increase to $1.1 million after five years. This includes costs for all full-time stadium staff.

Contractual Services

These expenses are paid for services that are not staffed directly by stadium employees. Expenses for contractual services can include security, janitorial, and other similar services, and are estimated to be approximately $310,000 in the stadium's first year.

Utilities

Utility expenses are assumed to be approximately $620,000 in the stadium's first year. While the specific method(s) have not yet been determined, we assume that that stadium will require cooling systems that are not common in other outdoor facilities because of the extreme summer heat in Las Vegas that coincides with MLS' season (and many other events that would be held at the stadium). These systems would have to cool both spectator areas as well as the playing field.

Because the specific methods have not yet been determined, the impact on operating costs is not yet known. However, we assume that the facility will pay a greater-than-average amount for utilities (compared to other MLS stadiums) because of the increased cooling needs of the facility. This premium has been considered in our expense estimate.

General and Administrative

General and administrative costs, for expenses such as office supplies, staff uniforms, travel, and training, dues and subscriptions, and other items, are estimated to be approximately $880,000 per year.

Repairs and Maintenance

Repairs and maintenance expense is estimated to be approximately $310,000 in the stadium's first year, and increase to approximately $325,000 after five years.

Insurance

Insurance expense is estimated to be approximately $260,000 in the stadium's first year.

Management Fees

We assume that the MLS ownership entity is hired to operate the stadium and is paid $800,000 per year (in 2014 prices).

Capital Maintenance Account

We assume that $400,000 per year will be deposited into an account for future capital maintenance, and that the team will also be responsible for certain capital improvements. While this amount is not expected to be spent every year, particularly in early years, we include it as an operating expense.

Other Expenses

Other miscellaneous expenses that are not included in the previous categories are estimated to be approximately $310,000 per year.

Total Operating Expenditures

Total operating expenses are estimated to be approximately $5.0 million in the stadium's first year, net of the team's share of expenses, and increase to approximately $5.2 million after five years.

Net Operating Income

Based on the projected operating revenues and expenses of the stadium, the facility's net operating income in its first year is estimated to be approximately $2.5 million, and this amount is projected to increase to $3.6 million after five years.

7. Appendix A – Attendance and Ticket Prices at Other Stadiums

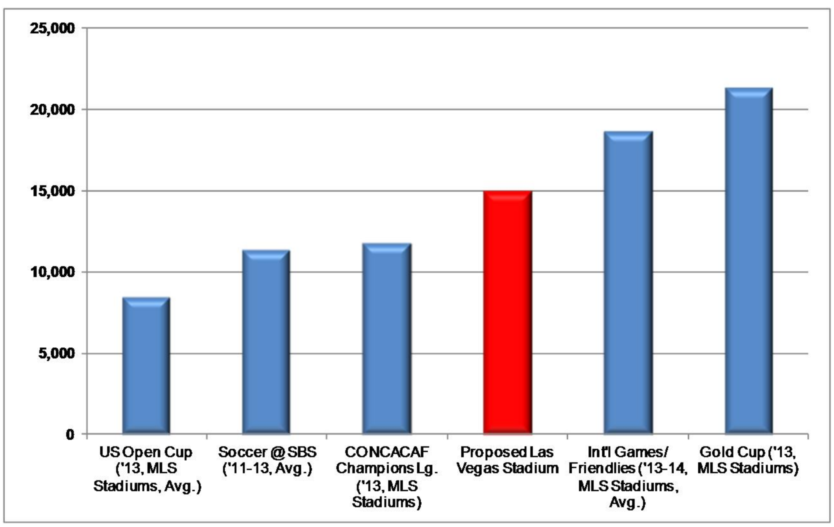
In other sections of this report, we have provided various types of information on the operations and performance of other MLS stadiums throughout the country. This appendix includes additional information that was particularly useful in developing our assumptions for the potential downtown stadium in Las Vegas, regarding attendance levels and ticket prices, as these factors are significant factors in the overall operations of the stadium.

Attendance

Major Soccer Matches

Average attendance for Major Soccer Matches recently held at MLS stadiums, by type, are shown below compared to our assumption for the new stadium in Las Vegas. The graph does not include similar events held at NFL and college football stadiums (these matches in recent years have averaged 40,000 to 50,000 attendees.)

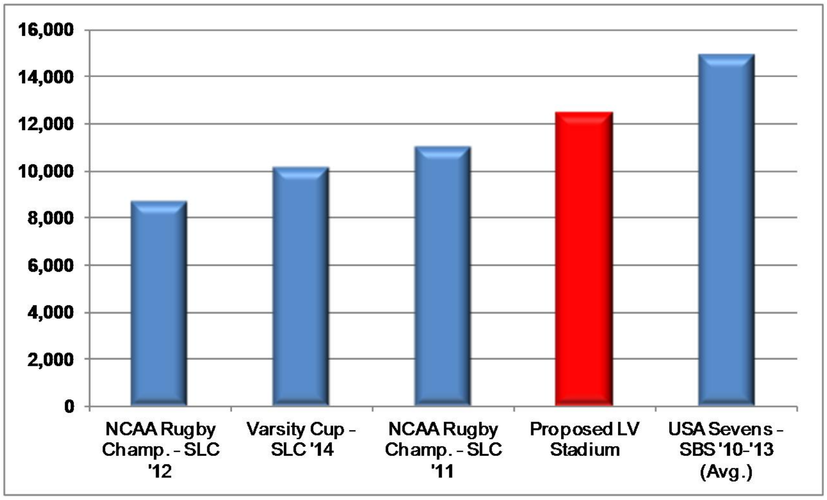
Figure 41 – Attendance at Major Soccer Matches



Other Major Sporting Events

Past attendance levels for examples of events considered to be Other Major Sporting Events, compared to the assumed average for Las Vegas, are shown below.

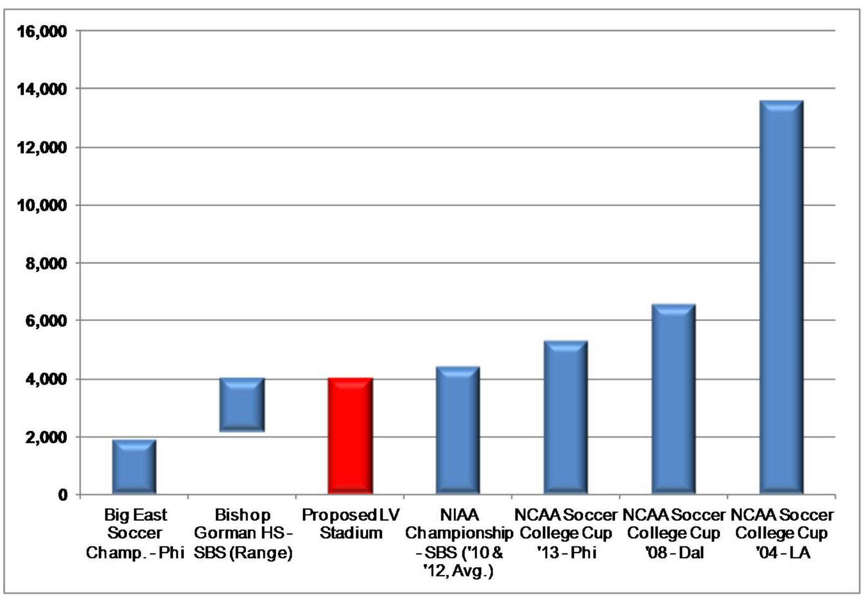
Figure 42 – Attendance at Other Major Sporting Events



Other Sporting Events

Past attendance for Other Sporting Events, and our assumption for the Las Vegas stadium, is shown below. For Bishop Gorman games at Sam Boyd Stadium, the floating bar represents the range of its games' attendance over multiple years.

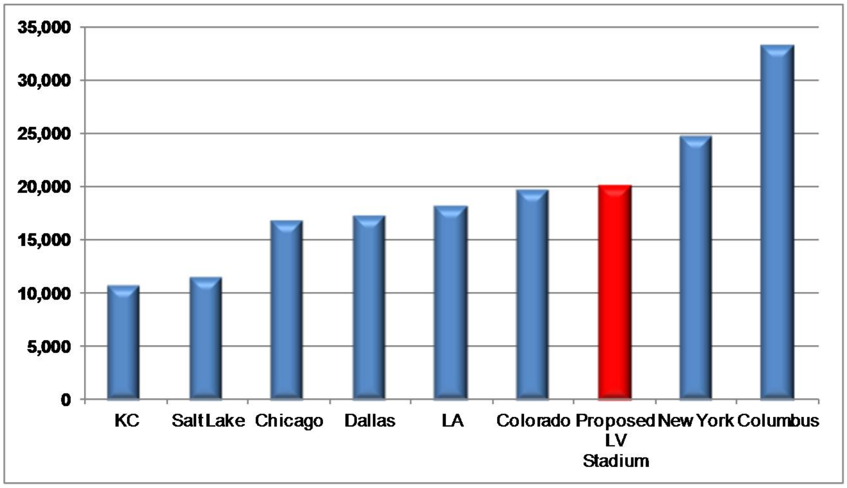
Figure 43 – Attendance at Other Sporting Events



Concerts

The graph below shows average concert attendance for other MLS stadiums, compared to the assumed average in Las Vegas.

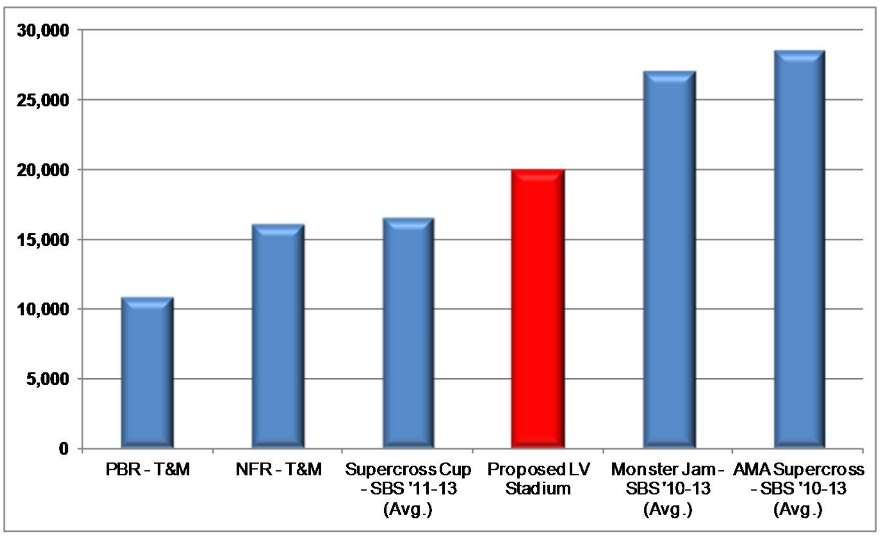
Figure 44 – Attendance at Concerts



Other Ticketed Entertainment Events

The graph below shows past attendance levels for Other Ticketed Entertainment Events at other stadiums, compared to our assumption for Las Vegas.

Figure 45 – Attendance at Other Ticketed Entertainment Events

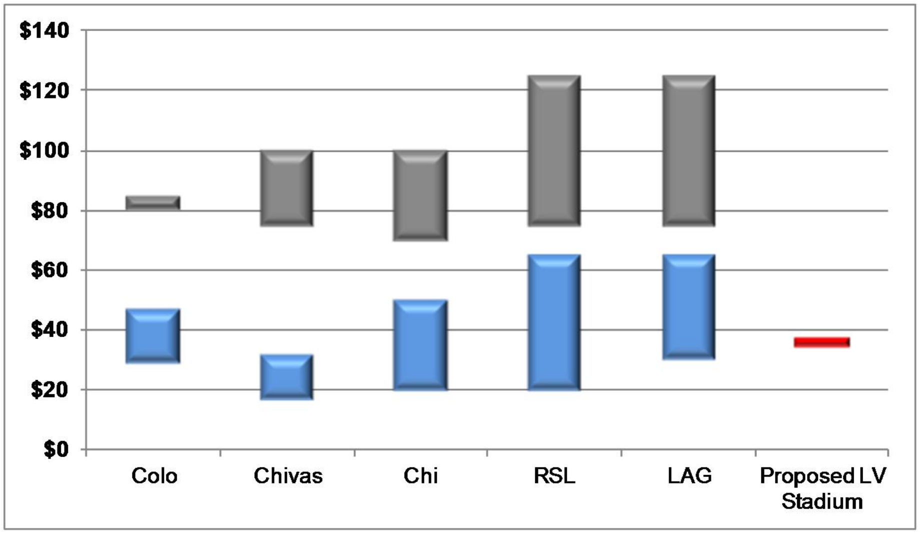


Ticket Prices

MLS

The graph below shows the range of general admission and premium ticket prices for a set of peer MLS franchises, compared to our assumed overall average ticket price for the Las Vegas MLS franchise. The prices shown below are for individual match tickets, which vary from season ticket, multi-game, and group ticket packages. The lower bars, in blue, show the range of general admission prices, and the upper bars (gray) show the range of premium prices. Our blended average ticket price for GA and premium tickets for the Las Vegas MLS stadium is shown in red.

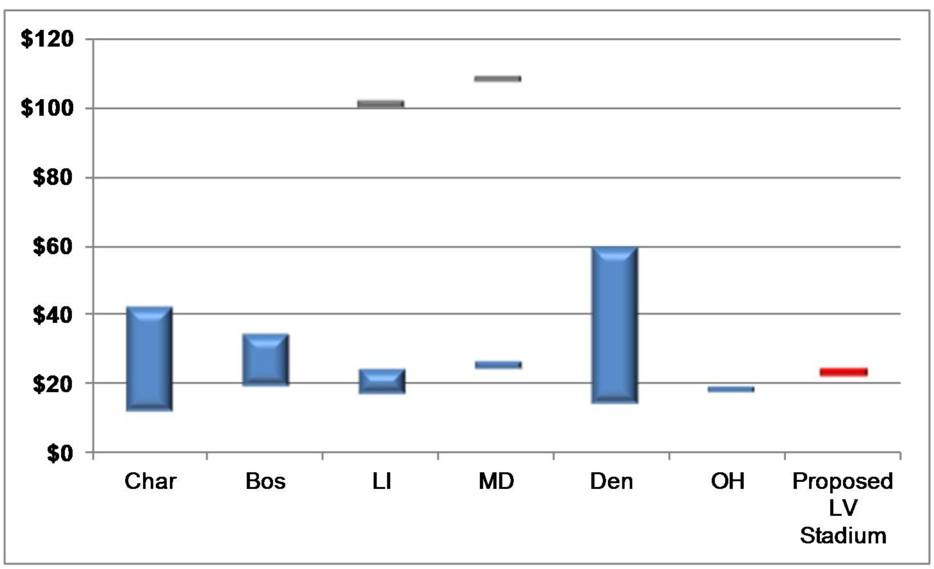
Figure 46 – MLS Ticket Prices



NWSL

The chart below shows the range of GA and premium (if applicable) ticket prices for NWSL matches, compared to our assumed average ticket price for NWSL matches in Las Vegas.

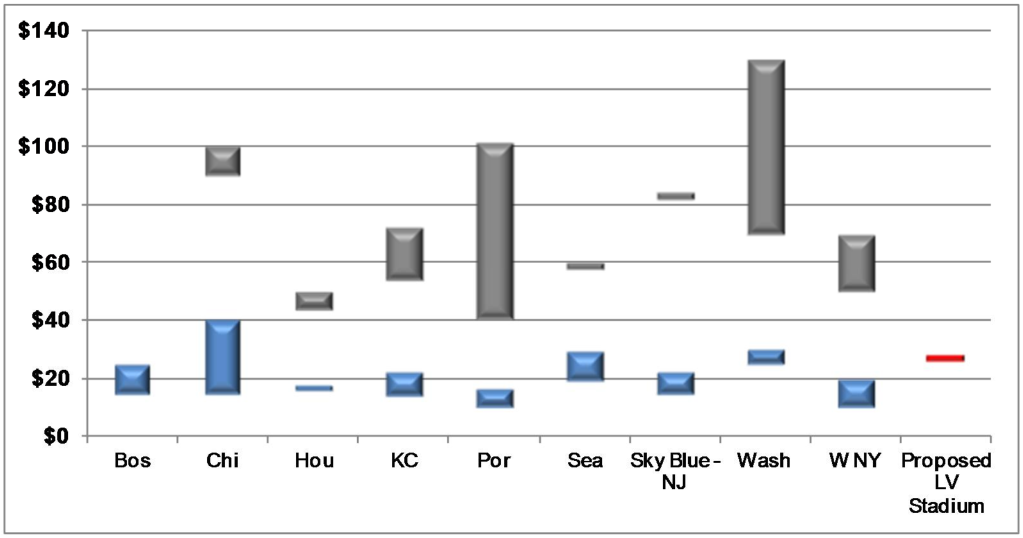
Figure 47 – NWSL Ticket Prices



MLL

The chart below shows the range of GA and premium (if applicable) ticket prices for MLL matches, compared to our assumed average ticket price for NWSL matches in Las Vegas.

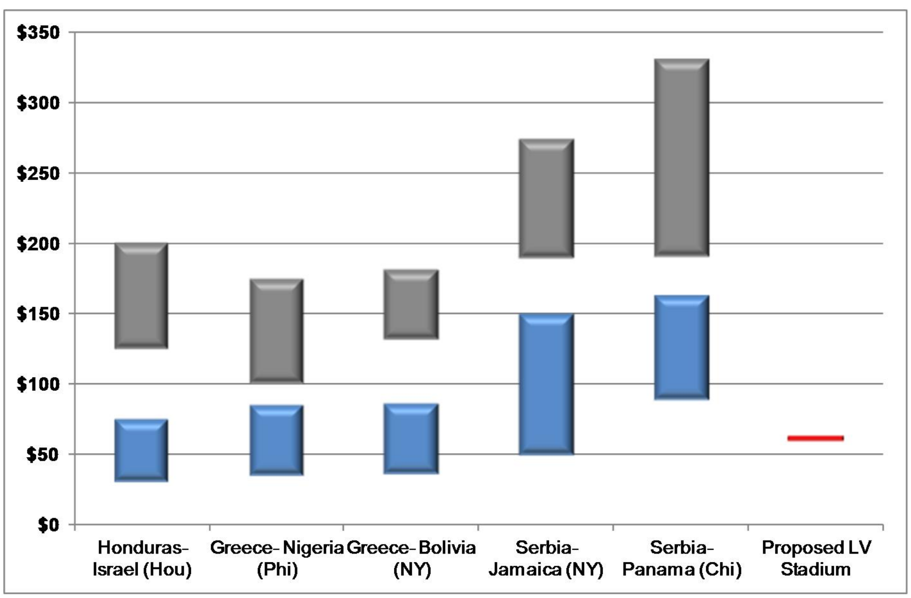
Figure 48 – MLL Ticket Prices



Major Soccer Matches

Similar to the previous charts, the range of GA and premium ticket prices for Major Soccer Matches to be held at MLS stadiums this year is shown below, compared to our overall average ticket price for the Las Vegas stadium.

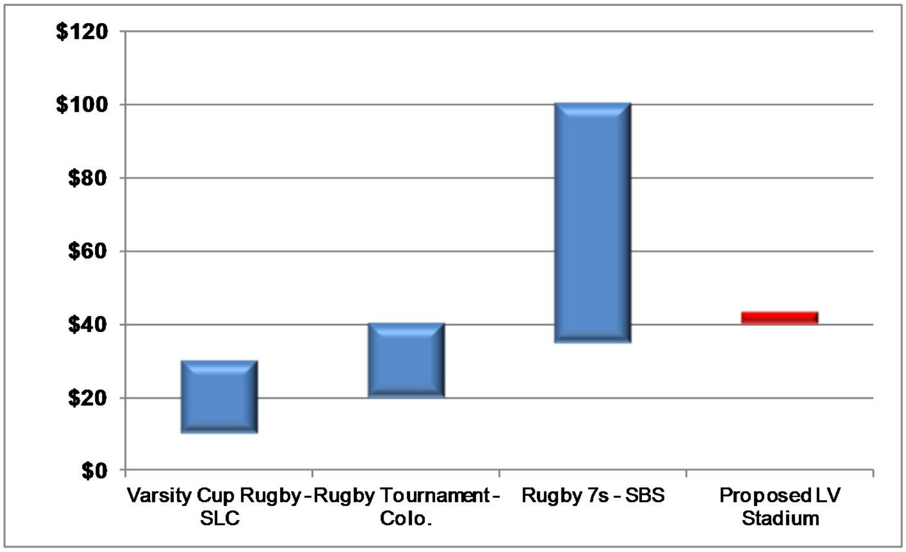
Figure 49 – Ticket Prices for Major Soccer Matches



Other Major Sporting Events

The graph below shows the range of prices for all tickets, for a set of events in this category, compared to our overall average GA and premium ticket price for the Las Vegas stadium.

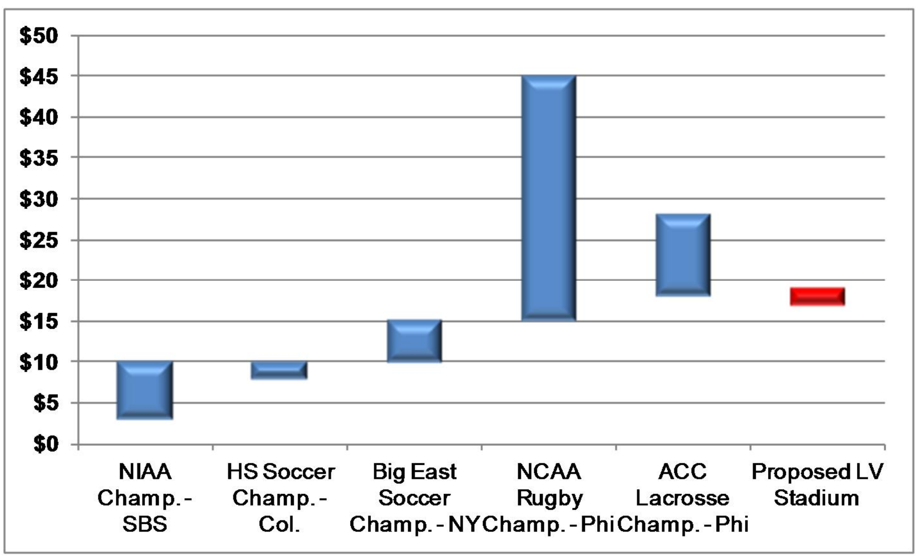
Figure 50 – Ticket Prices for Other Major Sporting Events



Other Sporting Events

The range of ticket prices for Other Sporting Events held at other stadiums, compared to our assumed overall average price for the Las Vegas stadium, are shown below.

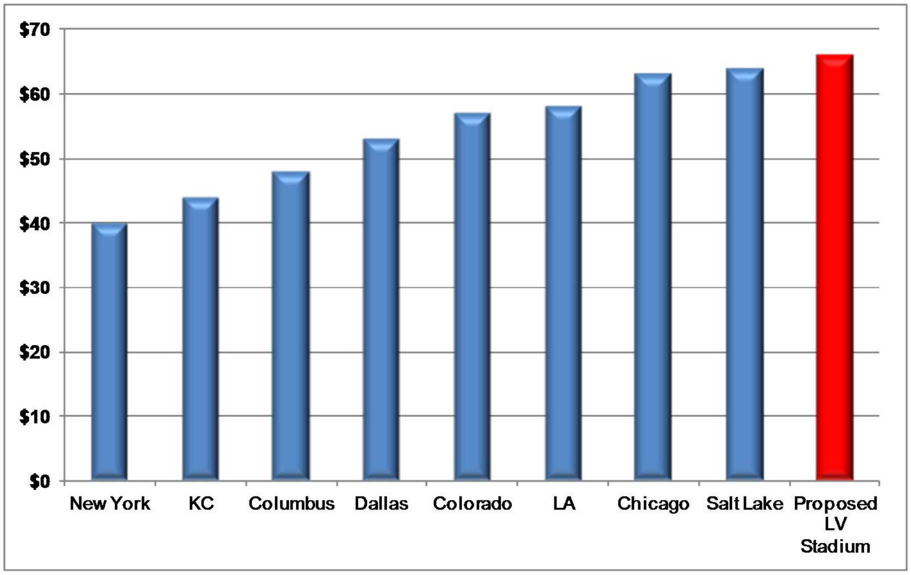
Figure 51 – Ticket Prices for Other Sporting Events



Concerts

The average concert ticket price at MLS stadiums, compared to our assumption for Las Vegas, are shown below.

Figure 52 – Concert Ticket Prices



Other Ticketed Entertainment Events

The range of ticket prices and overall averages for Other Ticketed Entertainment Events at other stadiums are shown below, compared to our assumed range for the Las Vegas stadium.

Figure 53 – Ticket Prices for Other Ticketed Entertainment Events